

CITY COUNCIL AGENDA ITEM COVER MEMO

FOR AGENDA OF COUNCIL MEETING/WORK SESSION - DATE : October 11, 2012

ACTION REQUESTED BY: Huntsville Utilities

SUBJECT MATTER : TVA Agreement

EXACT WORDING FOR AGENDA: Resolution authorizing the Mayor to execute an Agreement with TVA amending the General Power Contract to allow Huntsville Utilities participation in the Green Power Providers Program. (Utilities: Electric)

ORDINANCE:

RESOLUTION: X

MOTION:

(IF AMENDMENT, STATE TITLE AND NUMBER OF ORIGINAL): N/A

ITEM IS TO BE CONSIDERED FOR:

INTRODUCTION:

ACTION: X

DISCUSSION:

UNANIMOUS CONSENT REQUIRED? No

BRIEFLY STATE WHY THE ACTION IS REQUESTED; WHY IT IS RECOMMENDED OR NOT RECOMMENDED; WHAT COUNCIL ACTION WILL PROVIDE, ALLOW, OR ACCOMPLISH; ANY ASSOCIATED COST; BUDGETED (?); AND ANY OTHER INFORMATION THAT YOU THINK MIGHT BE HELPFUL. Approval of this resolution will authorize the Mayor to execute an Agreement with TVA amending the General Power Contract to allow Huntsville Utilities participation in the Green Power Providers Program. This program is designed to give participating residential and small commercial (non-demand metered) customers the opportunity to supply power and energy generated by green power sources.

MAYOR RECOMMENDS OR CONCURS? YES _____ NO _____ N/A _____

SIGNATURE: William C. Pippin, President & CEO

DATE: September 21, 2012

RESOLUTION NO. 12-_____

WHEREAS, the City of Huntsville, Alabama (hereinafter referred to as Distributor), and Tennessee Valley Authority (hereinafter referred to as TVA), did heretofore enter into a contract dated May 26, 1980 (which contract, as amended and supplemented, is hereinafter called the Power Contract); and

WHEREAS, the Distributor and TVA wish to cooperate in a program entitled Green Power Providers (Program) under which TVA acquires electric energy from qualifying renewable generation systems installed and/or owned by Distributor or customers served by Distributor; and

WHEREAS, The Distributor and TVA desire to agree upon the respective rights and obligations of the parties with respect to the development, implementation and administration of the Program;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that it does approve the aforesaid Green Power Providers Agreement and Tommy Battle, as Mayor of the City of Huntsville, Alabama, be, and he is authorized to execute said extension for and on behalf of the City of Huntsville, Alabama, and the Clerk-Treasurer be and he is hereby authorized to attest the same and to affix thereto the seal of the City of Huntsville, Alabama, all in as many counterparts as may be necessary.

BE IT FURTHER RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor be, and he is hereby authorized to enter into an agreement by and between the City of Huntsville and the Tennessee Valley Authority on behalf of the City of Huntsville, a municipal corporation in the State of Alabama, which said agreement is substantially in words and figures similar to that certain document attached hereto and identified as "Green Power Providers Agreement between City of Huntsville, Alabama, and Tennessee Valley Authority," consisting of 72 pages and the date of _____, 2012, appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clerk-Treasurer of the City of Huntsville, Alabama.

ADOPTED this the _____ day of _____, 2012.

President of the City Council of
The City of Huntsville, Alabama

APPROVED this the _____ day of _____, 2012.

Mayor of the City of Huntsville,
Alabama



Tennessee Valley Authority, Post Office Box 1010, Muscle Shoals, Alabama 35662-1010

9/12
Elec Bd / Council
WCP

August 28, 2012

Mr. William C. Pippin
President and CEO
Huntsville Utilities
Post Office Box 2048
Huntsville, Alabama 35804-2048

Dear Bill:

Enclosed for your review and execution are triplicate originals of a proposed agreement covering Huntsville Utilities participation in the Green Power Providers program. This program is designed to give participating residential and small commercial (non-demand metered) customers the opportunity to supply power and energy generated by green power sources such as photovoltaic, wind turbine, and other qualifying renewable energy generation systems to TVA.

Please execute all three originals of the agreement and return them to me for further handling by TVA. Also, please fill out and make an appropriate selection on all three originals of Attachment B. Two fully executed originals of the agreement will be returned to you for your files.

Please contact me if you have any questions concerning the enclosed agreements.

Sincerely,

A handwritten signature in black ink that reads "Kevin C. Chandler".

Kevin C. Chandler
Senior Customer Service Manager

Enclosures



9/12
Elected Council

Tennessee Valley Authority, 1101 Market Street, Chattanooga, TN 37402-2801

August 24, 2012

Mr. William C. Pippin, President and CEO
Huntsville Utilities
Post Office Box 2048
Huntsville, Alabama 35804-2048

Dear Mr. Pippin:

We would like to thank you for your participation in the Generation Partners pilot (Pilot). Also, we wish to congratulate you for your contribution to the success of the Pilot in testing the market for small-scale renewable energy generation. This success is a testament to our coordination and cooperation in conducting the Pilot. The Pilot, which will no longer be available to new participants beginning on September 30, 2012, was designed to develop and encourage the use of small-scale renewable generation sources throughout the Tennessee Valley region.

TVA has developed the Green Power Providers program (Program) over the past year and has worked in collaboration with a TVPPA-Energy Service Committee (TVPPA-ESC) sponsored workgroup, which included representatives of seven distributors. The Program will replace the Pilot and will also serve as a long-term sustainable Program for small renewable generation systems. The Program includes a contract term of 20 years, while also giving an upfront incentive to assist your interested customers in offsetting the cost of their investment. This letter supplements the discussions held between the TVPPA-ESC and TVA with regard to replacing the expiring Pilot. As a courtesy, TVPPA-ESC has reviewed the enclosed Program agreement.

The Program goals are to:

- Continue to increase the renewable portfolio in a sustainable manner,
- Align supply with demand through Green Power Switch and the Integrated Resource Plan,
- Support economic development in the Valley,
- Put TVA and distributors in a better position to comply with clean or renewable energy legislation, and
- Benefit the TVA power system (energy efficiency and peak demand reduction).

Further, the Program is designed to implement best practices and lessons learned from the Pilot. The following are some of the key changes:

- Participant fees: a program application fee (up to \$500 per Participation Agreement) subject to distributor's policy, and participant/system owner transfer fees, subject to distributor's policy,
- Clarify site and customer eligibility, including adding a load requirement for non-fast track systems (systems with nameplate capacity above 10 kW),

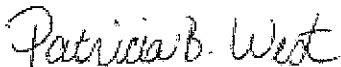
Mr. William C. Pippin
Page 2 of 2
August 24, 2012

- Annual program participation limits (MW) to be set each calendar year,
- Future installer certification requirements, to ensure more standardization, quality, and safety,
- Premiums for contracts signed in future years will decline to adjust with market signals and declining costs,
- Eligibility of projects located on new construction to participate in the Program, subject to distributor's policy,
- Vendor billing option. If selected by the distributor, a TVA-third party vendor will distribute the \$1,000 incentive and the premium portion of the generation credits each month directly to the Program participants, and
- Distributor Billing Option. If selected, the \$1,000 incentive and the generation credit will be administered by the distributor, and TVA will, under a separate agreement, reimburse the distributor for said administration. The reimbursement level will be at the same per-unit cost as TVA would otherwise pay a vendor if the TVA-vendor billing option is selected.

We hope that you will participate in the Program by signing both originals of the enclosed Program agreement and returning them to your TVA Customer Service Manager.

If you have questions or comments, please contact your Customer Service Manager.

Sincerely,



Patricia B. West
Director
Renewable Energy Programs

GREEN POWER PROVIDERS AGREEMENT
Between
CITY OF HUNTSVILLE, ALABAMA
And
TENNESSEE VALLEY AUTHORITY

Date: _____

Contract No. TV-54501A, Supp. No. 109
Purchase Order No. 421948

THIS AGREEMENT (Distributor Agreement), made and entered into by and between CITY OF HUNTSVILLE, ALABAMA (Distributor), a municipal corporation created and existing under and by virtue of the laws of the State of Alabama; and the TENNESSEE VALLEY AUTHORITY (TVA), a corporation created and existing under and by virtue of the Tennessee Valley Authority Act of 1933, as amended (TVA Act);

WITNESSETH:

WHEREAS, TVA and Distributor have entered into a power contract dated May 26, 1980, as amended (Power Contract), under which Distributor purchases its entire requirements for electric power and energy from TVA for resale; and

WHEREAS, the TVA Act provides that among TVA's objectives shall be those of promoting the wider and better use of electric power and cooperating in the application of electric power to the fuller and better balanced development of the resources of the region; and

WHEREAS, TVA and Distributor wish to cooperate in a program entitled Green Power Providers (Program) under which TVA acquires electric energy from qualifying renewable generation systems installed and/or owned by Distributor or customers served by Distributor; and

WHEREAS, TVA and Distributor desire to agree upon the respective rights and obligations of the parties with respect to the development, implementation, and administration of the Program;

NOW, THEREFORE, for and in consideration of the premises and of the mutual agreements set forth below, and subject to the provisions of the TVA Act, the parties agree as follows and enter into this contract consisting of the Articles and contract attachments listed in Article I below:

ARTICLE I
CONTRACT CONTENTS

ARTICLE I **CONTRACT CONTENTS**

ARTICLE II **DEFINITIONS**

- 2.1 Applicant
- 2.2 Billing Meter
- 2.3 Business Days
- 2.4 Calendar Days
- 2.5 Demand-Metered
- 2.6 Distributor Billing Option
- 2.7 Distributor Meter Option
- 2.8 Generation Credit
- 2.9 Generation Meter
- 2.10 Guidelines
- 2.11 Interval Generation Meter
- 2.12 Non-Interval Generation Meter
- 2.13 Participant
- 2.14 Participation Agreement
- 2.15 Power Invoice
- 2.16 Premium Rate
- 2.17 Proprietary Information
- 2.18 Qualifying System
- 2.19 Site
- 2.20 TVA-Vendor Billing Option
- 2.21 TVA-Vendor Meter Option

ARTICLE III **PROGRAM OBJECTIVE AND REQUIREMENTS**

- 3.1 Program Objective
- 3.2 Distributor Responsibilities
- 3.3 TVA Responsibilities
- 3.4 Distributor Facility Participation in Program
- 3.5 New Construction Participation in Program

ARTICLE IV **CONTRACT TERM AND TERMINATION**

- 4.1 Term of Agreement
- 4.2 Termination of Agreement
- 4.3 Termination of Participation Agreements

ARTICLE V **METERING AND BILLING**

- 5.1 Metering Connection
- 5.2 Premium Rate and Incentive Distribution Options
- 5.3 Metering and Billing Adjustments by Distributor

5.4 TVA-Vendor Billing Option Administration

ARTICLE VI GENERATION METERING FACILITIES

- 6.1 Interval Generation Meter
- 6.2 Non-Interval Generation Meter
- 6.3 Generation Meter
- 6.4 Generation Data Delivery
- 6.5 Access by TVA

ARTICLE VII MISCELLANEOUS PROVISIONS

- 7.1 Environmental Attributes
- 7.2 Distributor Invoice to TVA for Reimbursements
- 7.3 Changes to Aggregate Nameplate Capacity
- 7.4 Operating Representatives
- 7.5 Proprietary Information

CONTRACT ATTACHMENTS AND OTHER PROGRAM DOCUMENTS:

- Attachment A (Metering Connection Options)
- Attachment B (Premium Rate & Incentive Distribution Options)
- Attachment C (Request to Amend Participation Agreement by Changing Participant and/or Qualifying System Owner)
- Attachment D (Request to Amend Participation Agreement to Modify Capacity of Qualifying System)
- Attachment E (Request for New Construction Participation in Program)
- Green Power Providers Participation Agreement
- Green Power Providers Distributor Facility Participation Agreement
- Distributor's Acceptance of Qualifying System Form
- Green Power Providers Program Participation Guidelines

ARTICLE II **DEFINITIONS**

For purpose of this Distributor Agreement (i) all terms used herein with initial capital letters that are not underlined are textually defined within this Distributor Agreement, and (ii) all underlined terms are defined in this Article II of this Distributor Agreement.

SECTION 2.1 - APPLICANT

"Applicant" shall mean any potentially eligible residential, commercial, or industrial end-use customer served by Distributor that elects to participate in the Program by (i) submitting an interconnection request to Distributor, and upon Distributor's approval, entering into an interconnection agreement with Distributor, and (ii) submitting a completed copy of the Participation Agreement for TVA's and Distributor's review and potential approval and execution.

SECTION 2.2 - BILLING METER

"Billing Meter" shall mean a retail billing meter located at the Site where the Participant's facility or dwelling is located. The Billing Meter must be fully operational and measure the billing demand and/or the energy being consumed at the Site.

SECTION 2.3 - BUSINESS DAYS

"Business Days" shall mean all days except Saturdays and Sundays and the weekdays that are observed by TVA as Federal holiday (Federal holidays currently include New Year's Day, Martin Luther King's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day).

SECTION 2.4 - CALENDAR DAYS

"Calendar Days" shall mean all days in a month, including weekends and holidays.

SECTION 2.5 - DEMAND-METERED

"Demand-Metered" shall mean having a monthly billing demand of greater than 50 kW or monthly energy usage greater than 15,000 kWh; provided, however, that Distributor may deem a Participant with a monthly billing demand of less than 50 kW or monthly energy usage less than 15,000 kWh as Demand-Metered.

SECTION 2.6 - DISTRIBUTOR BILLING OPTION

"Distributor Billing Option" means the option under which the Distributor shall administer and manage the payments due to Participant, if eligible, for the generation credits and any rebate incentive, in accordance with this Distributor Agreement, the Participation Agreement, and the Guidelines.

SECTION 2.7 - DISTRIBUTOR METER OPTION

"Distributor Meter Option" shall mean the Generation Meter and remote communication access option available to Distributor for Participants that have interval metering. Under this option, Distributor shall (a) purchase and install a Generation Meter and (b) make the arrangements necessary to allow TVA remote communication access to the metering data recorded by the Generation Meter. Said metering data may be used by TVA for verification and validation purposes of data reported to TVA via Electricity Sales Statistics (ESS) or other TVA-approved reporting system (collectively referred to herein as "Reporting System"). Subject to the limitations provided for in Section 3.3, TVA shall reimburse Distributor for the (i) cost of the Generation Meter, (ii) one-time cost of the remote communication installation, and (iii) monthly communication access cost.

SECTION 2.8 - GENERATION CREDIT

"Generation Credit" shall mean the accrued generation credits due to Participant. Generation Credit shall be calculated by applying the sum of the energy charge in the applicable retail rate schedule (residential (RS) or deemed to be GSA1 for all commercial and industrial customers) and the applicable Premium Rate to the kWh energy measured on the Generation Meter.

SECTION 2.9 - GENERATION METER

"Generation Meter" shall mean a meter additional to the Billing Meter at the Site that is installed by Distributor and designed to measure the alternating current (AC) energy output from the Qualifying System at the Site. Generation Meter shall mean either an Interval Generation Meter or a Non-Interval Generation Meter, or both.

SECTION 2.10 - GUIDELINES

"Guidelines" shall mean such currently effective "Green Power Providers Program Participation Guidelines," as such Guidelines now exist or may hereafter be modified by TVA. A copy of the Guidelines as effective on the date of execution of this Distributor Agreement is provided with this Distributor Agreement for information only. The Guidelines are as posted by TVA on its official web site and shall be a part of this Distributor Agreement as if fully set out herein. In the event of any conflict between the provisions of the Guidelines and the provisions of this Distributor Agreement, the provisions of this Distributor Agreement shall control. TVA may modify and replace the Guidelines at any time and from time to time upon thirty (30) Calendar Days notice to Distributor. Said notice shall be deemed properly given if provided electronically either by electronic mail or by posting electronically on a computer-based information system designated by TVA for such purpose.

It is expressly recognized that any modifications and replacements of the Guidelines shall not apply to or otherwise affect any Participation Agreement that was in effect prior to the effective date of said modifications and replacements.

SECTION 2.11 - INTERVAL GENERATION METER

"Interval Generation Meter" shall be a solid-state type meter of high quality for billing purposes that records at least clock hour (hour interval) data and measures the energy output (kWh) from the Qualifying System at the Site; provided, however; it is recognized that fifteen (15) minute interval data is preferred. It is further expressly recognized that the Participant's applicable retail rate schedule may require a shorter interval.

SECTION 2.12 - NON-INTERVAL GENERATION METER

"Non-Interval Generation Meter" shall be a solid-state type meter of high quality for billing purposes that measures the energy output (kWh) from the Qualifying System at the Site but which does not meet the definition of Interval Generation Meter.

SECTION 2.13 - PARTICIPANT

"Participant" shall mean an Applicant that qualifies for and meets, at the time TVA executes the Participation Agreement, the then-current applicable participation requirements set forth in the Participation Agreement and the Guidelines. In order to retain its status as a Participant, each such Applicant shall install, complete, interconnect, and commission its Qualifying System, and obtain from Distributor an executed "Distributor Acceptance of Qualifying System Form" (System Acceptance Form), the form of which is provided with this Distributor Agreement, in accordance with the Participation Agreement and the Guidelines, within one hundred eighty (180) Calendar Days of TVA's execution of the Participation Agreement. The date Distributor approves and executes the System Acceptance Form shall be designated as the "Delivery Commencement Date" for purposes of this Distributor Agreement.

SECTION 2.14 - PARTICIPATION AGREEMENT

"Participation Agreement" shall mean, as appropriate for the context, either (a) the end-use customer participation agreement for the Program, the form of which is attached to this Distributor Agreement as "Green Power Providers Participation Agreement," or (b) the Distributor's participation agreement for the Program, the form of which is attached to this Distributor Agreement as "Green Power Providers Distributor Facility Participation Agreement." In the event of any conflict between the provisions of an executed Participation Agreement and the provisions of this Distributor Agreement, the provisions of this Distributor Agreement shall control with respect to TVA and Distributor. TVA may modify or replace the form of the Participation Agreement at any time and from time to time upon thirty (30) Calendar Days' written notice to Distributor; provided, however, that any such revision shall not affect any fully executed Participation Agreement that was in effect prior to the effective date of said revision. Said notice shall be deemed properly given if provided electronically either by electronic mail or by posting electronically on a computer-based information system designated by TVA for such purpose.

SECTION 2.15 - POWER INVOICE

"Power Invoice" shall mean the monthly wholesale power invoice to Distributor from TVA, based on TVA's wholesale data and end-use data reported by Distributor to TVA, including Distributor customer end-use kWh consumption and generation.

SECTION 2.16 - PREMIUM RATE

"Premium Rate" shall mean the then-current applicable premium rate as stated in Guideline 8 of the Guidelines for the particular type of renewable generation.

SECTION 2.17 - PROPRIETARY INFORMATION

"Proprietary Information" shall mean the information specified below in Section 7.5 of this Distributor Agreement that Distributor has marked or otherwise clearly identified as confidential or proprietary such that it should not be disclosed by TVA.

SECTION 2.18 - QUALIFYING SYSTEM

"Qualifying System" means a qualifying renewable generation system type that meets, at the time TVA executes the Participation Agreement, the then-current applicable requirements of the Participation Agreement and the Guidelines.

SECTION 2.19 - SITE

"Site" shall mean Participant's residential, commercial, or industrial real estate and associated personal property to which the Qualifying System is connected, the address of which is identified under the Participant's power billing account. In addition, the Site must meet the following requirements:

- (a) The property must receive its retail electricity distribution service from Distributor at the location of the Qualifying System, and
- (b) The Qualifying System must be located on the same premises of Participant where the Participant's own electrical load is located.

Furthermore, the Site shall meet the additional and then-current applicable requirements set forth in the Participation Agreement and the Guidelines.

SECTION 2.20 - TVA-VENDOR BILLING OPTION

"TVA-Vendor Billing Option" means TVA's designated third-party vendor (Vendor) who shall administer and manage the payments due to Participant for the Premium Rate portion of the Generation Credits and any rebate incentive for which Participant may be eligible, in accordance with the Participation Agreement and the Guidelines.

SECTION 2.21 - TVA-VENDOR METER OPTION

"TVA-Vendor Meter Option" shall mean the Generation Meter and remote communication access option available for Participants with Qualifying Systems that require interval metering. Under this option, Distributor installs a Generation Meter it has selected from specifications submitted to a TVA-selected third-party vendor. The TVA-selected third-party vendor will be responsible for providing to TVA the metering data recorded in the Generation Meter that it obtains through remote communication access. Said metering data may be used by TVA for verification and validation purposes of data reported to TVA via the Reporting System. TVA shall directly pay the TVA-selected third-party vendor as provided for in Subsection 3.3.4 for the Generation Meter and the provision of the metering data recorded by the Generation Meter.

ARTICLE III
PROGRAM OBJECTIVE AND REQUIREMENTS

SECTION 3.1 - PROGRAM OBJECTIVE

The objective of the Program is for TVA to purchase electric energy from qualifying renewable generation systems to supply electric generation resources and support TVA's strategic goal for acquisition of clean energy. Under the Program, TVA shall not acquire more than the annual program limit, in MW as determined in the Guidelines, in total renewable nameplate capacity. The energy generated may be credited to TVA as a resource under TVA's Green Power Switch Program.

SECTION 3.2 - DISTRIBUTOR RESPONSIBILITIES

Under the Program, Distributor shall:

- 3.2.1 Conduct a review and verify the Applicant's eligibility for participation in the Program under the Guidelines; and
- 3.2.2 Review Applicant's interconnection application, and, if approved, enter into an interconnection agreement with Applicant; and
- 3.2.3 Upon entering into an interconnection agreement and confirming the Applicant's and its Qualifying System's eligibility for Program participation, enroll the Applicant in the Program in accordance with the Participation Agreement and the Guidelines; and
- 3.2.4 Once the Participation Agreement has been executed by Distributor and Applicant, or by Distributor alone if Applicant is Distributor, submit said Participation Agreement to TVA for its review and potential approval and execution; and
- 3.2.5 For a Qualifying System that utilizes interval metering, elect either the TVA-Vendor Meter Option or the Distributor Meter Option for that Participant with regard to the Generation Meter and remote communication access:
 - i. If the TVA-Vendor Meter Option is selected:
 - 1. Order a Generation Meter from the TVA-selected third-party vendor,
 - 2. Install the Generation Meter, and
 - 3. Cooperate with TVA and the TVA-selected third-party vendor to enable necessary generation data collection and delivery to TVA.
 - ii. If the Distributor Meter Option is selected:
 - 1. Purchase a Generation Meter,
 - 2. Install the Generation Meter,
 - 3. Arrange remote communication access to the metering data recorded by the Generation Meter,

4. Provide TVA with access to such data as provided for in Section 6.5 below,
5. Submit, after completion/execution of the System Acceptance Form, receipts and an invoice to TVA to be reimbursed for the actual cost of the installed Generation Meter,
6. If cellular service is not available, submit receipts and an invoice to TVA to be reimbursed for the costs associated with the installation of the remote communication access for the Generation Meter. It is expressly recognized that Distributor shall not be responsible for any amount of the cost of installation that exceeds the maximum reimbursement amount from TVA (\$500),
7. Submit receipts and an invoice to TVA for the first month's monthly communication access expenses, and
8. Approve subsequent monthly invoices provided by TVA for the remote communication expenses; and

3.2.6 For a Qualifying System that utilizes non-interval metering,

- i. Select, purchase, and install a Non-Interval Generation Meter, and
- ii. Submit receipts and an invoice to TVA to be reimbursed for the actual cost (up to the maximum cost of \$250.00 specified in Subsection 3.3.7) of the installed Non-Interval Generation Meter; and

3.2.7 (i) Select either the Supply-Side Tie-In Interconnection (Option 1 Metering Connection) or Load-Side Tie-In Interconnection (Option 2 Metering Connection) as described in Attachment A (Metering Connection Options), (ii) indicate on the applicable System Acceptance Form which of the two options it has selected, and (iii) install the Generation Meter and Billing Meter as outlined in the diagram; provided, however, the Billing Meter shall have bi-directional capability if Option 2 Metering Connection is elected; and

3.2.8 Submit to TVA both the completed System Acceptance Form and the completed Distributor Customer Meter Setup (DCMS) form, or any other TVA-approved meter set-up form; and

3.2.9 Once the Qualifying System is ready to generate, but prior to such Qualifying System commencing generation into Distributor's electric system, conduct a review at the Site to verify the compliance of the Qualifying System with (i) the standards of the Participation Agreement and the Guidelines, (ii) Distributor's interconnection requirements, and (iii) any inspection report from appropriate governmental authorities. By signing the System Acceptance Form, Distributor warrants to TVA that the Qualifying System meets the Distributor's interconnection requirements and the requirements of this Agreement only at the time of Distributor's signature of the System Acceptance Form; and

- 3.2.10 Complete and execute the System Acceptance Form prior to the deadline under the Participation Agreement (within one hundred eighty (180) Calendar Days of TVA's execution of the Participation Agreement). Distributor shall submit to TVA said System Acceptance Form within ten (10) Business Days of its execution, and no later than ten (10) Business Days after the deadline under the Participation Agreement. Upon the System Acceptance Form's approval by TVA's Operating Representative (identified in Subsection 7.4.3 below), the date on which Distributor executes the System Acceptance Form shall become the date upon which the Participant shall begin accruing Generation Credits. Furthermore, TVA shall not pay for any electric energy generated by the Qualifying System(s) prior to said date; and
- 3.2.11 If Distributor elects the Distributor Billing Option, provide a one-time \$1,000.00 rebate incentive to each Participant per Site and in accordance with the Participation Agreement; and
- 3.2.12 If Distributor elects the TVA-Vendor Billing Option, Vendor will provide the one-time \$1,000.00 incentive payment, referred to in Subsection 3.2.11 above, to each Participant per Site in accordance with the Participation Agreement; and
- 3.2.13 Collect and make available to TVA any data relative to the Program's participation; and
- 3.2.14 Credit each Participant for the energy generated by its Qualifying System in accordance with Article V below; and
- 3.2.15 For audit purposes, collect and make available to TVA, in a format specified by TVA, monthly data reports relative to the Program. This data shall include (a) information on each Participant at the time of enrollment in the Program, (b) the type of Participant (whether residential, commercial, or industrial), (c) the type and capacity of each Participant's Qualifying System, (d) a monthly report of the generation output from each individual type of Qualifying System at each Site, (e) the applicable retail rate to apply to the Participant's Generation Credits, and (f) the payments made by Distributor to each Participant, whether Distributor elects the Distributor Billing Option or TVA-Vendor Billing Option; and
- 3.2.16 For billing purposes, report to TVA monthly, via the Reporting System, all generation data related to each Qualifying System; provided, however, Distributor must commence reporting generation of new Qualifying Systems within three (3) months of the date of the System Acceptance Form. Neither Distributor nor Participants shall be entitled to reimbursement by TVA for any generation data reported to TVA outside the timeframes specified in this Subsection 3.2.16; and

3.2.17 Perform any other actions that may be reasonably required to comply with this Distributor Agreement, the Participation Agreement, or the Guidelines; and

3.2.18 Submit to TVA for review and potential approval and execution any partially executed "Request to Amend Participation Agreement by Changing Participant and/or Qualifying System Owner," the form of which is attached to this Distributor Agreement as Attachment C, with respect to any intended ownership transfer of a Site and/or Qualifying System by Participant, and/or the owner of Qualifying System (if different from Participant) in accordance with the Participation Agreement. TVA may modify or replace Attachment C at any time and from time to time upon thirty (30) Calendar Days' notice to Distributor. Said notice shall be deemed properly given if provided electronically either by electronic mail or by posting electronically on a computer-based information system designated by TVA for such purpose.

The Billing Meter, Generation Meter, and any other equipment installed by Distributor, or its representative, at the Site in connection with the Program shall remain the property of Distributor.

SECTION 3.3 - TVA RESPONSIBILITIES

Under the Program, TVA shall:

3.3.1 Make separate arrangements for either: (i) Vendor to administer and manage the payments and reimbursements to Participant in accordance with Section 5.4 below for the TVA-Vendor Billing Option, or (ii) Distributor to administer and manage the payments and reimbursements to Participant in accordance with Section 5.3 below for the Distributor Billing Option; and

3.3.2 Review all partially executed Participation Agreements to verify (i) Program participation eligibility and (ii) conformity to this Distributor Agreement and the Guidelines and, if approved, execute said Participation Agreements, but if not approved, return to Distributor identifying deficiencies; and

3.3.3 Following its approval of the System Acceptance Form, pay Distributor \$200.00 for the review of the required interconnection and safety equipment for each Qualifying System in accordance with the Participation Agreement, and pay Distributor \$200.00 for a maximum of one repeat review if the equipment does not meet the requirements at the initial review; and

3.3.4 Reimburse TVA-selected third-party vendor for Generation Meter and remote communication access if Distributor elects the TVA-Vendor Meter Option; and

3.3.5 With respect to Billing Meter, if Distributor elects Option 2 Metering Connection and the existing Billing Meter does not have bi-directional

programming capability, reimburse Distributor up to \$1,000.00 for the replacement of the existing Billing Meter with a bi-directional Billing Meter installed at the Site based upon actual costs and submitted invoices, as documented on submitted receipts; provided, however; that it is expressly recognized that any future needed upgrades from existing non-interval Billing Meters to interval Billing Meters shall not be reimbursed by TVA; and

3.3.6 With respect to the Generation Meter and remote communication access, if the Distributor Meter Option is elected:

- i. Reimburse Distributor up to \$1,000.00 for each Interval Generation Meter purchased and initially installed at the Site based upon actual costs and submitted invoices, as documented on submitted receipts. It is expressly recognized that the Distributor is responsible for any amount of the cost of each Interval Generation Meter that exceeds the amount reimbursed by TVA; provided, however, Distributor may elect to require each of its Participants to pay such additional cost, if any. Upon proof of failure of an Interval Generation Meter, and if a replacement Interval Generation Meter is needed at the Site, TVA shall reimburse Distributor \$1,000.00 for such replacement Interval Generation Meter. It is expressly recognized that TVA shall not provide any reimbursement for any future failure(s) of the Interval Generation Meter after the first replacement and reimbursement; and
- ii. Reimburse Distributor up to \$500.00 for the installation of the remote communication access to the Generation Meter based upon actual costs and submitted invoices as documented on submitted receipts. It is expressly recognized that the Distributor is responsible for any amount of the cost of installation that exceeds the amount reimbursed by TVA; provided, however, Distributor may elect to require each of its Participants to pay such additional cost, if any; and
- iii. If remote communication access to the Generation Meter is provided to TVA, reimburse Distributor for providing remote communication access up to \$50.00 per month based on the first month's actual costs and submitted invoices, as documented on submitted receipts. During subsequent months for the term of the Participation Agreement, TVA shall reimburse Distributor monthly for the remote communication access based on Distributor's approval of monthly invoices provided to TVA; and

3.3.7 With respect to the Generation Meter and remote communication access, if a Non-Interval Generation Meter is used, reimburse Distributor up to \$250.00 for each installed Non-Interval Generation Meter at the Site based upon actual costs and submitted invoices, as documented on submitted receipts. It is expressly recognized that the

Distributor is responsible for any amount of the cost of each Non-Interval Generation Meter that exceeds the amount reimbursed by TVA; provided, however, Distributor may elect to require each of its Participants to pay such additional cost, if any. Upon proof of failure of a Non-Interval Generation Meter, and if a replacement Non-Interval Generation Meter is needed at the Site, TVA shall reimburse Distributor \$250.00 for such replacement. It is expressly recognized that TVA will not provide any reimbursement for any future failure(s) of the Interval Generation Meter after the first replacement and reimbursement; and

3.3.8 If Distributor elects the Distributor Billing Option, reimburse Distributor the \$1,000.00 incentive for each Participant in the Program in accordance with Participation Agreement; and

3.3.9 Provide appropriate reimbursements to Distributor upon TVA's receipt of the complete and fully executed System Acceptance Form; and

3.3.10 If Distributor elects the TVA-Vendor Billing Option, cause Vendor to provide payments directly to Participant in accordance with Article V below.

SECTION 3.4 - DISTRIBUTOR FACILITY PARTICIPATION IN PROGRAM

In addition to offering the Program to its customers, Distributor is also eligible to participate and be a Participant in the Program, with the rights to receive those sums, reimbursements, or credits that are otherwise due to a Participant with a Qualifying System. Distributor shall be entitled to reimbursement by TVA of eligible expense as set forth in Section 3.3 above.

For the purposes of the Program, Distributor's facility shall qualify and meet, at the time of Distributor's election to participate in the Program, the then-current applicable participation requirements set forth in the Participation Agreement and the Guidelines. Furthermore, if Distributor's facility is to participate in the Program, the System Acceptance Form must be received and approved by TVA within one hundred eighty (180) Calendar Days of TVA's execution of said Participation Agreement. Payment for the Generation Credit due to Distributor shall be included in the monthly wholesale billing adjustment as described in Subsection 5.3.3 of this Distributor Agreement.

SECTION 3.5 - NEW CONSTRUCTION PARTICIPATION IN PROGRAM

As provided for under the Guidelines, proposed systems to be located on new construction at a Site may be accepted into the Program against the Program's annual capacity limit, provided that (i) Distributor agrees to offer the Program to its prospective eligible customers or "new construction" market, subject to the Program's terms and conditions, (ii) the new construction builder completes and submits for Distributor's and TVA's review and potential approval the Request for Program Participation Eligibility of New Construction form, which is attached to this Distributor Agreement as Attachment E, and (iii) both Distributor and TVA approve and execute it.

ARTICLE IV
CONTRACT TERM AND TERMINATION

SECTION 4.1 - TERM OF AGREEMENT

This Distributor Agreement shall become effective as of the date first above written, and shall remain in effect until terminated as provided by Section 4.2 below.

SECTION 4.2 - TERMINATION OF AGREEMENT

This Distributor Agreement shall terminate:

- (a) Upon at least thirty (30) Calendar Days' prior written notification of such termination given by one party to the other, or
- (b) Upon the date, if any, on which the Power Contract and any renewal, extension, or replacement of it terminates or expires.

Nothing contained in this Distributor Agreement shall be construed as relieving either TVA or Distributor of its obligations with regard to Participants enrolled in the Program prior to the effective date of such termination. Upon sending or receiving such a termination notice, as outlined in (a) above, Distributor shall make no further commitments; provided, however, that upon any terminations under (b) above, Distributor shall send a notice of termination of Participation Agreements to Participants who are party to any currently effective Participation Agreements with the Distributor.

Upon termination of this Distributor Agreement, Distributor shall not execute any Participation Agreements submitted by new Applicants for participation in the Program, and shall maintain records, including the Participation Agreements, their amendments, if any, and copies of System Acceptance Forms, for each Participant for at least six (6) years after the termination of Participant's participation in the Program.

SECTION 4.3 - TERMINATION OF PARTICIPATION AGREEMENTS

Early termination of individual Participation Agreements may be approved based upon terms mutually acceptable to TVA, Distributor, and Participant. In addition, Distributor shall notify TVA immediately of any terminations as outlined in the Participation Agreement.

ARTICLE V

METERING AND BILLING

SECTION 5.1 - METERING CONNECTION

For each Qualifying System, Distributor may utilize either the metering design of Option 1 Metering Connection or Option 2 Metering Connection. However, for billing reasons, it is strongly encouraged that Distributor utilizes Option 1 Metering Connection for a Participant who is a Demand-Metered customer.

Distributor shall indicate on the System Acceptance Form for each Qualifying System which of the two options it has elected, by completing and submitting to TVA said form. Distributor may at any time change its election by providing written notice to TVA's Operating Representative; provided, however, TVA shall not reimburse Distributor or Participant for any costs either incurs as a result of such change of election, other than the \$1000.00 referred to under Subsection 3.3.5 above.

SECTION 5.2 - PREMIUM RATE AND INCENTIVE DISTRIBUTION OPTIONS

For all Participants of Distributor under the Program, Distributor shall select either the Distributor Billing Option or the TVA-Vendor Billing Option for the Generation Credits and rebate incentives disbursement to all of its Participants. Distributor shall indicate which of the two options it has selected by submitting to TVA a completed copy of the form attached to this Distributor Agreement as Attachment B and entitled "Premium Rate & Incentive Distribution Options." If Distributor elects the Distributor Billing Option, TVA shall reimburse Distributor at the same per-unit cost as TVA uses for the TVA-Vendor Billing Option, and such reimbursement arrangement(s) shall be provided for under separate agreement or agreements between Distributor and TVA. Distributor may, at any time and upon ninety (90) Calendar Days notice to TVA, change its election by submitting a revised Attachment B to TVA.

SECTION 5.3 - METERING AND BILLING ADJUSTMENTS BY DISTRIBUTOR

If Distributor elects the Distributor Billing Option on Attachment B, the parties agree that this Section 5.3 shall be effective, and Section 5.4 below is of no force or effect. The parties agree to the following:

5.3.1 Retail Charge for Participants.

- i. Participants with Option 1 Metering Connection. Effective with the billing period when the Qualifying System commences generation into Distributor's electric system and for each billing period thereafter during the term of the Participation Agreement, Distributor shall include the following in its determination of each Participant's power bill: Distributor shall (a) apply all charges and credits for power and energy to the kWh energy measured on the single associated Billing Meter at the Site and any other charges and credits determined in accordance with the applicable retail

rate schedule, as appropriate, and (b) credit Participant with Generation Credit.

- ii. Participants with Option 2 Metering Connection. Effective with the billing period when the Qualifying System commences generation into Distributor's electric system and for each billing period thereafter during the term of the Participation Agreement, Distributor shall include the following in its determination of each Participant's power bill: Distributor shall (a) add the kWh energy (and demand for every consecutive thirty (30) minute period, if applicable) measured on the Generation Meter to the kWh energy (and demand for every consecutive thirty (30) minute period, if applicable) measured on the single associated Billing Meter at the Site, (b) apply all charges and credits for power and energy to such total and any other charges and credits determined in accordance with the applicable retail rate schedule, as appropriate, and (c) credit Participant with the Generation Credit.

5.3.2 Generation Credit and Billing Period. If the Generation Credit exceeds the sum of all charges and other credits on Participant's power bill resulting in Participant being owed money for the billing period, Distributor may elect to carry over any such payment due to Participant as an additional credit on Participant's power bill for the following billing period, and may continue to do so for a total of twelve (12) consecutive billing periods. If at the end of this cumulative period the value of Participant's Generation Credit exceeds the net sum of all charges and other credits for such cumulative period, Distributor shall issue payment to Participant for the balance due.

5.3.3 Wholesale Billing Adjustment. Distributor and TVA acknowledge and agree that all energy generated by Participants under this Distributor Agreement, as read from Participants' Generation Meters, is being sold by Participants to TVA under this Distributor Agreement for the purpose of TVA reselling such energy to Distributor as part of TVA's sale of power to Distributor under the Power Contract. Accordingly, in calculating the wholesale power bill each month for Distributor under the wholesale rate schedule attached to and made a part of the Power Contract, (a) Distributor's total demand and energy takings from TVA at the delivery points under the Power Contract shall be increased, on a simultaneous basis (or another statistical approach mutually agreed upon by Distributor and TVA), by Distributor's energy flow from all Qualifying Systems of all Participants under this Distributor Agreement as read from Participants' Generation Meters during the month, and (b) a credit shall be applied to Distributor's wholesale power bill equal to Distributor's monthly payment to Participants (or as close to equal as possible for Participants whose billing cycles do not coincide with the Distributor billing cycle), including the Premium Rate for the electric energy delivered to TVA from all Qualifying Systems interconnected with Distributor under this Distributor Agreement as read from Participants' Generation Meters during the month.

SECTION 5.4 - TVA-VENDOR BILLING OPTION ADMINISTRATION

If Distributor elects the TVA-Vendor Billing Option on Attachment B, the parties agree that this Section 5.4 shall be effective, and Section 5.3 above is of no force or effect. The data obtained from the Billing Meter and Generation Meter associated with the Qualifying System and reported to TVA via the Reporting System, shall be used by TVA in determining the Generation Credit, if any, that the TVA-selected third-party vendor and Distributor shall pay to Participant. The parties agree to the following:

5.4.1 Retail Rate Portion of Generation Credit.

- i. Participants with Option 1 Metering Connection. Effective with the billing period when the Qualifying System commences generation into Distributor's electric system and for each billing period thereafter during the term of the Participation Agreement, Distributor shall include the following in its determination of each Participant's power bill: Distributor shall (a) apply all charges and credits for power and energy to the kWh energy measured on the Billing Meter, and if applicable, the Generation Meter, at the Site and any other charges and credits determined in accordance with the applicable retail rate schedule, as appropriate, and (b) credit Participant with a dollar amount calculated by applying the energy charge in the applicable retail rate schedule (residential or deemed to be GSA1 for all commercial and industrial customers) to the kWh energy measured on the Generation Meter.
- ii. Participants with Option 2 Metering Connection. Effective with the billing period when the Qualifying System commences generation into Distributor's electric system and for each billing period thereafter during the term of the Participation Agreement, Distributor shall include the following in its determination of each Participant's power bill: Distributor shall (a) add the kWh energy (and demand for every consecutive thirty (30) minute period, if applicable) measured on the Generation Meter to the kWh energy (and demand for every consecutive thirty (30) minute period, if applicable) measured on the Billing Meter at the Site, (b) apply all charges and credits for power and energy to such total and any other charges and credits determined in accordance with the applicable retail rate schedule, as appropriate, and (c) credit Participant with a dollar amount calculated by applying the energy charge in the applicable retail rate schedule (residential or deemed to be GSA1 for all commercial or industrial customers) to the kWh energy measured on the Generation Meter.

- 5.4.2 Premium Rate Portion of Generation Credit. Based upon generation data of each Qualifying System submitted to TVA via Reporting System, Vendor shall deliver to Participant as soon as reasonably practical, but no later than ten (10) Business Days following the end of each calendar month, a statement showing energy delivered from the Qualifying System during the previous calendar month and a computation of the payment

due to Participant. Such payment shall be calculated by applying the applicable Premium Rate to the kWh energy measured on the Generation Meter. In the event that generation information of a Qualifying System is not promptly provided due to such events as meter malfunction or communications failure, the time period in which Distributor may deliver said data to TVA may be extended as appropriate. Payments due, if any, by Vendor under this Subsection 5.4.2 are due within thirty (30) Calendar Days of the date of the statement.

- 5.4.3 Wholesale Billing Adjustment. Distributor and TVA acknowledge and agree that all energy generated by Participants under this Distributor Agreement, as read from Participants' Generation Meters and reported to TVA via the Reporting System, is being sold by Participants to TVA under this Distributor Agreement for the purpose of TVA reselling such energy to Distributor as part of TVA's sale of power to Distributor under the Power Contract. Accordingly, in calculating the wholesale power bill each month for Distributor under the wholesale rate schedule attached to and made a part of the Power Contract, (a) Distributor's total demand and energy takings from TVA at the delivery points under the Power Contract shall be increased, on a simultaneous basis (or another statistical approach mutually agreed upon by Distributor and TVA), by Distributor's energy flow from all Qualifying Systems of all Participants under this Distributor Agreement as read from Participants' Generation Meters during the month, and (b) a credit shall be applied to Distributor's wholesale power bill equal to Distributor's monthly payment to Participants (or as close to equal as possible for Participants whose billing cycles do not coincide with the Distributor billing cycle) for the electric energy delivered to TVA from all Qualifying Systems interconnected with Distributor under this Distributor Agreement as read from Participants' Generation Meters during the month.

ARTICLE VI

GENERATION METERING FACILITIES

SECTION 6.1 - INTERVAL GENERATION METER

An Interval Generation Meter shall be used if any of the following apply: (a) the Participant's Qualifying System has a nameplate generation capacity of greater than 10 kW, (b) the Participant's Qualifying System has a nameplate generation capacity of less than or equal 10 kW, but the Participant's Billing Meter is Demand-Metered, and Distributor has chosen Option 2 Metering Connection, (c) Distributor elects to install an Interval Generation Meter, or (d) modifications to the Qualifying System or Participant's Billing Meter result in the qualifications stated in clauses (a), (b), or (c) above being met for the Interval Generation Meter.

SECTION 6.2 - NON-INTERVAL GENERATION METER

A Non-Interval Generation Meter may be used when the Participant's Qualifying System has a nameplate generation capacity of less than or equal to 10 kW and either (a) the Participant's Billing Meter is not Demand-Metered, or (b) the Participant's Billing Meter is Demand-Metered and Distributor has chosen the Option 1 Metering Connection.

SECTION 6.3 - GENERATION METER

It is recognized and agreed that Distributor is responsible for installing and maintaining the meter and associated equipment that in TVA's judgment are needed for determining the amounts of power and energy associated with the Program. Distributor shall at its expense provide the equipment and materials and perform the work necessary to install the Generation Meter and be reimbursed by TVA as agreed in Section 3.3 above. If remote communication access to the Generation Meter is provided to TVA using the Distributor Meter Option, TVA shall reimburse Distributor for the cost of the remote communication access as provided for in Subsection 3.3.6(iii) above. If the TVA-Vendor Meter Option is elected, Distributor shall coordinate the metering responsibilities with TVA and the TVA-selected third-party vendor. Thereafter, Distributor shall test, calibrate, operate, maintain, repair, and replace all facilities in the metering installation, as requested by TVA.

SECTION 6.4 - GENERATION DATA DELIVERY

In accordance with the Guidelines or specifications furnished or approved by TVA, Distributor shall provide TVA with generation data as requested by TVA as set forth in Subsection 3.2.5 above.

SECTION 6.5 - ACCESS BY TVA

If Distributor has elected the TVA-Vendor Meter Option, Distributor shall cooperate with TVA and the TVA selected third-party vendor to enable necessary generation data collection and delivery to TVA. If TVA is reimbursing Distributor for remote communication access through the Distributor Meter Option, Distributor grants TVA access to the data stored in the Generation Meter through remote communication

access (or alternative system approved by TVA) and shall provide to TVA passwords or any other information necessary for the exercise of such access. Distributor further grants to TVA access to the metering facilities for the purpose of confirmation of the metering data being received by the remote communication access. The use of cellular communication (or alternative system approved by TVA) and access to the metering data shall be coordinated by TVA's and Distributor's Operating Representatives to ensure unrestricted access by TVA for data retrieval purposes during such periods as specified by TVA.

ARTICLE VII
MISCELLANEOUS PROVISIONS

SECTION 7.1 - ENVIRONMENTAL ATTRIBUTES

TVA shall retain the sole right and title to any renewable energy credits (including tradable renewable credits or green tags) or other associated benefits or environmental attributes of energy generated from the renewable nature of the Qualifying Systems, without regard to whether any governmental authority or other organization has registered, certified, or otherwise taken action to recognize said credits, tags, benefits, or attributes.

SECTION 7.2 - DISTRIBUTOR INVOICE TO TVA FOR REIMBURSEMENTS

For eligible reimbursable expenses, Distributor shall invoice TVA for the reimbursable expenses identified under Article V above; TVA shall pay within thirty (30) Calendar Days after receiving a proper invoice. A proper invoice must include the TVA Purchase Order number assigned to this Distributor Agreement and must be numbered (unique to each invoice), dated, itemized in detail (including identification of individual Sites to which charges relate), and accompanied by all reasonable supporting documentation specified by TVA.

SECTION 7.3 - CHANGES TO AGGREGATE NAMEPLATE CAPACITY

Any requests to change the nameplate capacity of a Qualifying System, after the effective date of the Participation Agreement, must be reviewed by Distributor and TVA. Participant and Distributor, or their authorized representatives, shall complete Attachment D (Request to Amend Participation Agreement to Modify Capacity of Qualifying System), and forward it to the TVA Operating Representative for review and consideration in accordance with the Participation Agreement and Guidelines. Said proposed change to nameplate capacity of the Qualifying System shall be approved only if Program capacity is available and all other Program requirements are being met as outlined in the Participation Agreement and the Guidelines. Upon approval, any approved changes to nameplate capacity of a Qualifying System must be implemented within one hundred eighty (180) Calendar Days of TVA's approval date as set out in Attachment D.

TVA may modify or replace the form of Attachment D at any time and from time to time upon thirty (30) Calendar Days' notice to Distributor. Said notice shall be deemed properly given if provided electronically either by electronic mail or by posting electronically on a computer-based information system designated by TVA for such purpose.

SECTION 7.4 - OPERATING REPRESENTATIVES

7.4.1 Subject to the provisions of this Distributor Agreement, the Power Contract, and any applicable law or regulation, and only to the extent consistent therewith, the Operating Representatives may agree upon such incidental administrative arrangements as are appropriate for the efficient and expeditious implementation of this Distributor Agreement.

7.4.2 Distributor's Operating Representative for administration of this Distributor Agreement shall be the manager of its electric system or a designee.

7.4.3 TVA's Operating Representative for administration of this Distributor Agreement shall be the Director of Renewable Energy Programs or a designee.

7.4.4 Either party may change its Operating Representative designated under this Section 7.4 by giving written notice to the other party.

SECTION 7.5 - PROPRIETARY INFORMATION

7.5.1 The Distributor's customer data shall be deemed to be Proprietary Information when provided to TVA for purposes of the Program.

7.5.2 Except as may be required by law, TVA agrees not to divulge Proprietary Information to third parties, other than to employees, contractors, and agents of TVA or other parties necessarily involved in conducting the Program, without the written consent of the Distributor.

7.5.3 The obligations of this Section 7.5 with respect to Proprietary Information shall inure to the benefit of, and shall be binding upon, Distributor and TVA, and, as applicable, their respective subsidiaries, affiliates, successors, and assigns. In addition, the Distributor's and TVA's obligations with respect to Proprietary Information shall be binding upon any and all directors, officers, attorneys, agents, contractors, and employees of that party, and each party shall, respectively, secure the compliance by all of the foregoing with all of the terms and conditions of obligations with respect to Proprietary Information required to be observed or performed hereunder.

IN WITNESS WHEREOF, the parties have caused this Distributor Agreement to be executed by their duly authorized representatives, as of the day and year first above written.

CITY OF HUNTSVILLE, ALABAMA

By _____
Title:

TENNESSEE VALLEY AUTHORITY

By _____
Senior Manager, Power Contracts

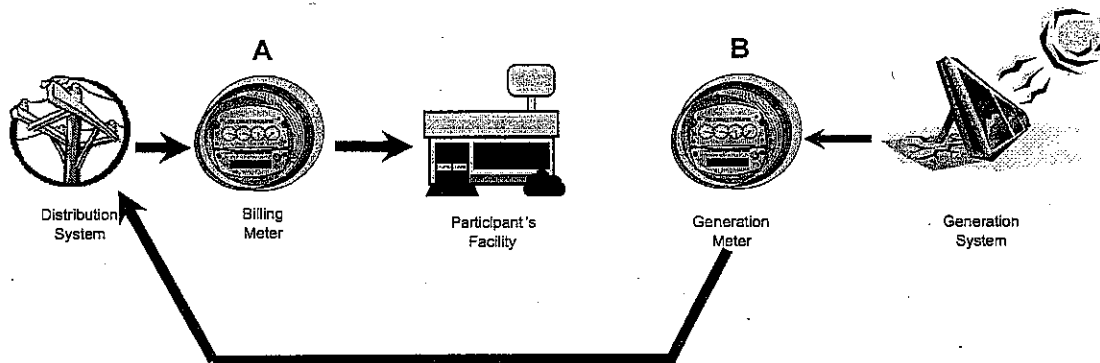
ATTACHMENT A

METERING CONNECTION OPTIONS

Option 1 Metering Connection (Supply-Side Tie-In Generation Meter).

Billing calculated as follows:

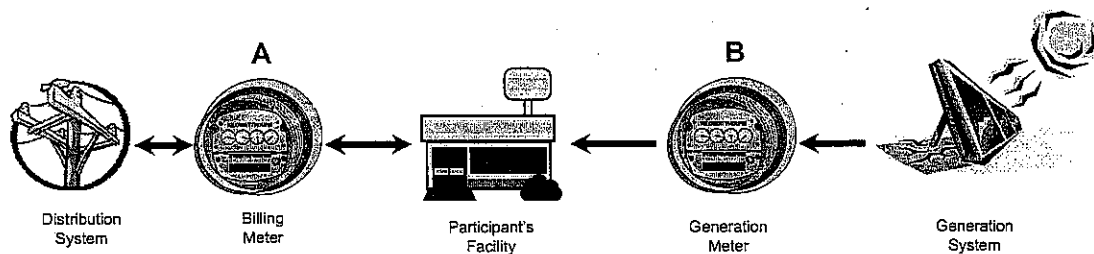
1. Use the kWh energy measured on the Billing Meter.
2. Apply all charges and credits for power and energy in accordance with the applicable retail rate schedule.
3. Credit Participant by adding the retail rate (residential or GSA1 for all commercial and industrial customers) and the Premium Rate (as determined by the Guidelines) and multiply the result by the kWh energy measured on the Generation Meter.



Option 2 Metering Connection (Load-Side Tie-In Generation Meter).

Billing calculated as follows:

1. Add the kWh energy and kW demand, if applicable, measured on the Generation Meter to the kWh energy and kW demand, if applicable, measured on the Billing Meter.
2. Apply all charges and credits for demand and energy to the sum from step 1 in accordance with the applicable retail rate schedule.
3. Credit Participant by adding the retail rate (residential or GSA1 for all commercial and industrial customers) and the Premium Rate (as determined by the Guidelines) and multiply the result by the kWh energy measured on the Generation Meter.



ATTACHMENT B

PREMIUM RATE & INCENTIVE DISTRIBUTION OPTIONS

I _____ (Distributor) elect the following option for all Generation Partners Pilot and Green Power Providers Program Generation Credits and incentives due to the Participant under the Green Power Providers Participation Agreement:

- ☐ Distributor Billing Option
- ☐ TVA-Vendor Billing Option

Distributor Representative Name & Title

Distributor Representative Signature

Date

For TVA Use Only:

Supp.

ATTACHMENT C

REQUEST TO AMEND PARTICIPATION AGREEMENT BY CHANGING PARTICIPANT AND/OR QUALIFYING SYSTEM OWNER

SECTION 1: AGREEMENT INFORMATION

Green Power Providers Participation Agreement or Green Power Providers Distributor
Facility Participation Agreement No.: [REDACTED]

Request to amend Participation Agreement by changing (Check all that apply):

- ☐ Participant (PLEASE COMPLETE SECTION 2)
☐ Qualifying System Owner (If different from Participant) (PLEASE COMPLETE
SECTION 3)

SECTION 2: TO CHANGE PARTICIPANTS - TO BE COMPLETED BY BOTH CURRENT PARTICIPANT/TRANSFEROR AND NEW PARTICIPANT/TRANSFeree*

Current Participant (PRINT NAME):
/Transferor

[REDACTED]

[REDACTED]

*Current Participant/Transferor Signature

[REDACTED]

Date

New Participant (PRINT NAME):
/Transferee

[REDACTED]

[REDACTED]

(BILLING SERVICE ACCOUNT #)

Notice Address of New Participant:
/Transferee

[REDACTED]

(NAME)

[REDACTED]

(STREET ADDRESS)

[REDACTED]

(CITY, STATE, ZIP)

[REDACTED]

*New Participant/Transferee Signature

[REDACTED]

Date

* THE INDIVIDUALS SIGNING ABOVE AUTHORIZE THEIR POWER DISTRIBUTOR (ELECTRIC COMPANY) AND TVA TO AMEND THE EXISTING PARTICIPATION AGREEMENT BY CHANGING THE CURRENT PARTICIPANT/TRANSFEROR TO THE NEW PARTICIPANT/TRANSFEEE. THE NEW PARTICIPANT/TRANSFEEE ACKNOWLEDGES BEING FULLY RESPONSIBLE FOR AND SHALL COMPLY WITH THE PARTICIPATION AGREEMENT FOR THE REMAINING TERM OF THE PARTICIPATION AGREEMENT. THIS AMENDMENT REQUEST MAY BE SUBJECT TO A REASONABLE FEE TO BE PAID BY THE NEW PARTICIPANT/TRANSFEEE TO THE POWER DISTRIBUTOR. ADDITIONALLY, THE INDIVIDUALS SIGNING ABOVE UNDERSTAND THAT, IN THE PLACE OF THE CURRENT PARTICIPANT/TRANSFEROR, THE NEW PARTICIPANT/TRANSFEEE SHALL BE RESPONSIBLE FOR AND SHALL COMPLY WITH THE POWER DISTRIBUTOR'S INTERCONNECTION AGREEMENT, WHICH MAY REQUIRE SUPPLYING PROOF OF INSURANCE COVERAGE. THE NEW PARTICIPANT/TRANSFEEE ACKNOWLEDGES THAT S/HE HAS BEEN GIVEN A COPY OF BOTH THE PARTICIPATION AGREEMENT AND THE INTERCONNECTION AGREEMENT.

SECTION 3: TO CHANGE QUALIFYING SYSTEM OWNER - TO BE COMPLETED BY 1) PARTICIPANT, 2) CURRENT QUALIFYING SYSTEM OWNER/TRANSFEROR, AND 3) NEW QUALIFYING SYSTEM OWNER/TRANSFEEE**

Participant (PRINT NAME): _____

**Participant Signature

Date

Current Qualifying System Owner (PRINT NAME): _____
/Transferor

**Current Qualifying System Owner/Transferor Signature

Date

New Qualifying System Owner (PRINT NAME): _____
/Transferee

**New Qualifying System Owner/Transferee Signature

Date

**THE INDIVIDUALS SIGNING ABOVE AUTHORIZE THEIR POWER DISTRIBUTOR (ELECTRIC COMPANY) AND TVA TO AMEND THE PARTICIPATION AGREEMENT BY CHANGING THE QUALIFYING SYSTEM OWNER AS REQUESTED. THE NEW QUALIFYING SYSTEM OWNER/TRANSFEEE ACKNOWLEDGES BEING FULLY BOUND BY THE PARTICIPATION AGREEMENT, INCLUDING ALL SYSTEM OWNER RESPONSIBILITIES THEREUNDER. THIS CHANGE REQUEST MAY BE SUBJECT TO A REASONABLE FEE TO BE PAID BY PARTICIPANT TO THE POWER DISTRIBUTOR. FURTHER, THE NEW QUALIFYING SYSTEM OWNER/TRANSFEEE ACKNOWLEDGES BEING RESPONSIBLE FOR AND SHALL COMPLY WITH THE POWER DISTRIBUTOR'S INTERCONNECTION AGREEMENT, WHICH MAY REQUIRE SUPPLYING PROOF OF INSURANCE COVERAGE. THE NEW QUALIFYING SYSTEM OWNER/TRANSFEEE ACKNOWLEDGES THAT S/HE HAS BEEN GIVEN A COPY OF BOTH THE PARTICIPATION AGREEMENT AND THE INTERCONNECTION AGREEMENT.

SECTION 4: TO BE COMPLETED BY POWER DISTRIBUTOR***

Distributor's Acceptance of Qualifying System Form Submitted to TVA: ☐ Yes ☐ No

(Has the Distributor signed Distributor's Acceptance of Qualifying System form and turned it in to TVA?)

If Yes, Date of Distributor's Acceptance of Qualifying System Form submission:

Distributor Name

Distributor Representative Name & Title

Date

***Distributor Representative Signature

***BY SIGNING ABOVE IN SECTION 4, POWER DISTRIBUTOR AUTHORIZES AND AGREES TO AMEND THE PARTICIPATION AGREEMENT BY MAKING THESE REQUESTED CHANGES AS SET FORTH UNDER SECTION 2 AND/OR SECTION 3 ABOVE AND CONFIRMS THAT ALL FEES AND ASSOCIATED INTERCONNECTION DOCUMENTATION HAVE BEEN REVIEWED AND APPROVED BY POWER DISTRIBUTOR FOR ACCEPTANCE WITHIN THE PROGRAM.

SECTION 5: TO BE COMPLETED BY TVA

APPROVED ☐

DENIED ☐

COMMENTS/REASONS FOR DENIAL:

TENNESSEE VALLEY AUTHORITY

TVA Representative Name & Title

Date

TVA Representative Signature

For TVA Use Only:

, Supp.

ATTACHMENT D

REQUEST TO AMEND PARTICIPATION AGREEMENT TO MODIFY CAPACITY OF QUALIFYING SYSTEM

Date of request: [REDACTED]

Green Power Providers Participation Agreement or Green Power Providers Distributor
Facility Participation Agreement (Participation Agreement) No.: [REDACTED]

Participant (PRINT NAME): [REDACTED]

- A) Existing total nameplate capacity of qualifying system: [REDACTED] kW
- B) Requested increment or decrement in nameplate capacity of Qualifying System: [REDACTED] kW
- C) Total new requested nameplate capacity of Qualifying System: [REDACTED] kW (A \pm B)

If the owner of Qualifying System is different from the Participant, then the Qualifying System Owner must complete the following:

Qualifying System Owner (PRINT NAME): [REDACTED]

Qualifying System Owner Signature & Date: [REDACTED]

[REDACTED]
*Participant Signature

[REDACTED]
Date

*BY SIGNING ABOVE, PARTICIPANT FORMALLY REQUESTS PERMISSION TO MODIFY (INCREASE OR DECREASE) THE QUALIFYING SYSTEM NAMEPLATE CAPACITY REFERENCED ABOVE INCLUDING MAKING NECESSARY INTERCONNECTION MODIFICATIONS AND TO AMEND THE PARTICIPATION AGREEMENT AS NECESSARY TO ACCOMMODATE THE CHANGED CAPACITY. SAID PROPOSED INCREASE OR DECREASE, IF ACCEPTED BY THE POWER DISTRIBUTOR AND TVA, SHALL BE SUBJECT TO THE GREEN POWER PROVIDERS PROGRAM PARTICIPATION GUIDELINES AND EXISTING CONTRACTS AS AMENDED TO ACCOMMODATE THE CHANGED CAPACITY. PARTICIPANT ALSO UNDERSTANDS THAT ANY PROPOSED CAPACITY INCREASE MUST BE COMPLETED AND OPERATING WITHIN ONE HUNDRED EIGHTY (180) CALENDAR DAYS OF THE TVA ACCEPTANCE DATE BELOW OR ELSE THE PROPOSED ADDITIONAL SYSTEM CAPACITY SHALL BE INELIGIBLE TO PARTICIPATE IN THE PROGRAM. FURTHER, EFFECTIVE UPON DISTRIBUTOR'S AND TVA'S ACCEPTANCE OF THIS REQUEST, AS INDICATED BY THEIR SIGNATURES BELOW, THE ABOVE-REFERENCED PARTICIPATION AGREEMENT IS AMENDED SO THAT THE NEW PROPOSED NAMEPLATE CAPACITY OF THE QUALIFYING SYSTEM UNDER C) ABOVE REPLACES THE NAMEPLATE CAPACITY PROVIDED UNDER SECTION 15.1 OF THE PARTICIPATION AGREEMENT AND GENERATION CREDIT SHALL THEREAFTER BE BASED ON NEW NAMEPLATE CAPACITY IN ACCORDANCE WITH SAID PARTICIPATION AGREEMENT, AS AMENDED.

TO BE COMPLETED BY DISTRIBUTOR

REQUEST TO AMEND PARTICIPATION AGREEMENT TO

Distributor Name

REQUEST TO AMEND PARTICIPATION AGREEMENT TO

Distributor Representative Name & Title

****Distributor Representative Signature**

REQUEST TO AMEND PARTICIPATION AGREEMENT TO

Date

****BY SIGNING ABOVE, DISTRIBUTOR APPROVES THE PROPOSED MODIFICATION OF THE QUALIFYING SYSTEM NAMEPLATE CAPACITY (INCLUDING BUT NOT LIMITED TO MAKING INTERCONNECTION MODIFICATIONS) AND THE PROPOSED AMENDMENT TO THE PARTICIPATION AGREEMENT TO REFLECT THE MODIFIED CAPACITY UNDER THE PROGRAM IN ACCORDANCE WITH THE GREEN POWER PROVIDERS PROGRAM PARTICIPATION GUIDELINES AND EXISTING CONTRACTS AS AMENDED TO ACCOMMODATE THE CHANGED CAPACITY. DISTRIBUTOR ACKNOWLEDGES THAT IF APPROVED BY TVA, SUCH PROPOSED MODIFICATION MUST BE COMPLETED AND OPERATING WITHIN ONE HUNDRED EIGHTY (180) CALENDAR DAYS OF THE TVA ACCEPTANCE DATE BELOW OR ELSE THE PROPOSED ADDITIONAL SYSTEM CAPACITY SHALL BE INELIGIBLE TO PARTICIPATE IN THE PROGRAM. IN ADDITION, DISTRIBUTOR MUST SUBMIT A REVISED DISTRIBUTOR'S ACCEPTANCE OF QUALIFYING SYSTEM FORM (SYSTEM ACCEPTANCE FORM) UPON COMPLETION OF SAID MODIFICATION.**

TO BE COMPLETED BY TVA

APPROVED ☐

DENIED ☐

COMMENTS/REASONS FOR DENIAL:

TENNESSEE VALLEY AUTHORITY

REQUEST TO AMEND PARTICIPATION AGREEMENT TO

TVA Representative Name & Title

REQUEST TO AMEND PARTICIPATION AGREEMENT TO

TVA Representative Signature

REQUEST TO AMEND PARTICIPATION AGREEMENT TO

Date

| | |
|-------------------|--|
| For TVA Use Only: | |
| | |

ATTACHMENT E

REQUEST FOR NEW CONSTRUCTION PARTICIPATION IN PROGRAM

Date of request: [REDACTED]

Prospective Customer: ☐ Residential ☐ Commercial/Industrial

Proposed location and address of Site: [REDACTED]

Projected annual electrical usage on the Billing Meter at the Site: [REDACTED] kWh

Commercial or Industrial Customer Projects Only: Projected Annual Electrical Demand on the Billing Meter at the Site: [REDACTED] kW

Qualifying System Generation Information:

- Projected total nameplate capacity of qualifying system: [REDACTED] kW
- Projected annual energy generation from qualifying system: [REDACTED] kWh

Builder or Entity Request Approval Information

[REDACTED]

* Builder (PRINT NAME AND TITLE)

[REDACTED]

Builder Signature

[REDACTED]

Date

*BY SIGNING ABOVE, BUILDER REQUESTS PERMISSION FOR ACCEPTANCE OF THE PROPOSED QUALIFYING SYSTEM INTO THE PROGRAM. IF APPROVED, THE PARTICIPANT MUST APPLY AND ENTER INTO A PARTICIPATION AGREEMENT WITHIN 180 CALENDAR DAYS OF THE TVA APPROVAL DATE BELOW. IF A PARTICIPATION AGREEMENT IS EXECUTED BY ALL PARTIES, THE QUALIFYING SYSTEM MUST BE FULLY OPERATIONAL AND INTERCONNECTED, AS EVIDENCED BY DISTRIBUTOR AND TVA SIGNING A SYSTEM ACCEPTANCE FORM, WITHIN 180 CALENDAR DAYS OF THE TVA EXECUTION DATE OF THE PARTICIPATION AGREEMENT. BUILDER UNDERSTANDS THAT THE QUALIFYING SYSTEM IS NOT ENTITLED TO GENERATE POWER AND PARTICIPANT IS NOT ENTITLED TO GENERATION CREDITS OR REBATES UNLESS AND UNTIL DISTRIBUTOR AND TVA EXECUTE THE SEPARATE SYSTEM ACCEPTANCE FORM.

TO BE COMPLETED BY DISTRIBUTOR

[REDACTED]
Distributor Name

[REDACTED]
Distributor Representative Name & Title

[REDACTED]
**Distributor Representative Signature & Date

**BY SIGNING ABOVE, DISTRIBUTOR APPROVES THE PROPOSED QUALIFYING SYSTEM IN ACCORDANCE WITH THE GREEN POWER PROVIDERS PROGRAM PARTICIPATION GUIDELINES. DISTRIBUTOR ACKNOWLEDGES THAT IF APPROVED BY TVA, SUCH PROPOSED QUALIFYING SYSTEM IS NOT ENTITLED TO GENERATE POWER AND PARTICIPANT IS NOT ENTITLED TO GENERATION CREDITS OR REBATES UNLESS AND UNTIL DISTRIBUTOR AND TVA EXECUTE THE SEPARATE SYSTEM ACCEPTANCE FORM.

TO BE COMPLETED BY TVA

APPROVED ☐ DENIED ☐

COMMENTS/REASONS FOR DENIAL:

TENNESSEE VALLEY AUTHORITY

[REDACTED]
TVA Representative Name & Title

[REDACTED]
Date

[REDACTED]
TVA Representative Signature

| | |
|---------------------------|--|
| For Distributor Use Only: | |
| | |

| | |
|-------------------|--|
| For TVA Use Only: | |
| | |

GREEN POWER PROVIDERS PARTICIPATION AGREEMENT

THIS GREEN POWER PROVIDERS PARTICIPATION AGREEMENT (Participation Agreement), among _____, its successors and authorized assigns, hereinafter called "Participant"; _____, its successors and authorized assigns, hereinafter called "Distributor"; and Tennessee Valley Authority, its successors and authorized assigns, hereinafter called "TVA," bears the following recitals:

- I. Participant is a customer of Distributor and desires to participate, on a voluntary basis, in a program entitled Green Power Providers (Program) under which TVA acquires electric energy from qualifying renewable generation systems constructed and installed at customer locations served by Distributor.
- II. Participant intends to construct, operate, and maintain a generation facility (Qualifying System) that is an eligible system under this Participation Agreement and is described below, located at Participant's address (Address) identified in Subsection 15.1 below.
- III. The parties understand that the intent of the Program is to encourage Distributor's residential customers (billed under Schedule RS or its equivalent) and Distributor's commercial and industrial customers (billed under the General Power Service or Manufacturing Service Rate Schedules or their equivalent, as defined in Distributor rate schedules) to install renewable generation. Therefore, Participant must be a residential customer with a residential building and residential billing meter at the Address of the Qualifying System, or if Participant is a commercial or industrial customer, Participant agrees that its primary commercial or industrial purpose is not electricity generation at the building with a commercial or industrial billing meter at the Address of the Qualifying System.
- IV. Participant wishes to sell to TVA and TVA wishes to purchase from Participant the power and associated energy produced from the Qualifying System, together with the environmental attributes associated with it, in accordance with the terms and conditions set forth in this Participation Agreement.

Subject to and in accordance with the Green Power Providers Program Participation Guidelines (Guidelines), attached to and made part of this Participation Agreement, the parties agree as follows:

SECTION 1 - DEFINITIONS

For purpose of this Participation Agreement (i) all terms used herein with initial capital letters are textually defined within this Participation Agreement, and (ii) all underlined terms used herein shall be deemed to mean those terms as defined in Guideline 2 of the Guidelines.

SECTION 2 - TERM AND TERMINATION

2.1 Effective Date, Delivery Commencement Date, and Term. This Participation Agreement shall be deemed effective as of the date (Effective Date) that TVA executes this Participation Agreement. The date on which Distributor accepts the Qualifying System by executing the Distributor's Acceptance of Qualifying System Form (System Acceptance Form) shall be called the Delivery Commencement Date. If the Distributor does not accept the Qualifying System by fully executing and submitting the System Acceptance Form within one hundred eighty (180) Calendar Days of TVA's execution of this Participation Agreement under Subsection 17.3 below (Deadline), this Participation Agreement shall automatically terminate.

Unless sooner terminated as provided in this Participation Agreement, this Participation Agreement shall remain in effect for twenty (20) years from the Effective Date.

2.2 Termination. This Participation Agreement may be terminated by:

- (a) Participant, at any time, upon thirty (30) Calendar Days' written notice to Distributor;
- (b) Mutual agreement of all of the parties in writing at any time; or
- (c) TVA or Distributor, at any time upon written notice by TVA or Distributor to Participant, if TVA or Distributor has determined that any of the following conditions has occurred:
 - i. After the Delivery Commencement Date, there has been a sustained lack of generation (less than an average of 10 kWh per month) from the Qualifying System for a period of six (6) consecutive months or more;
 - ii. The Qualifying System or its interconnection or safety equipment violate any applicable local, state, or federal codes or pose a safety hazard as determined by the Distributor or TVA;
 - iii. The interconnection or safety equipment ceases to comply with the requirements of Section 4 below;
 - iv. The Qualifying System includes generation from a non-Qualifying Resource (defined below) and/or ceases to meet the participation conditions outlined in this Participation Agreement or the Guidelines;
 - v. Generation from the Qualifying System is used by Participant to provide credits for electric consumption at a location other than the Address herein;
 - vi. Distributor ceases to be a customer of TVA;
 - vii. Participant ceases to be a customer of Distributor at Site, unless this Participation Agreement is assigned to a new owner of Site as provided for under Section 8 below;
 - viii. Participant does not comply with or breaches the terms of this Participation Agreement, including without limitation, providing false or inaccurate information in violation of Section 17.1 below or refusing Distributor or TVA access to the Qualifying System;
 - ix. Participant increases the nameplate capacity of the Qualifying System without permission from Distributor or TVA, in violation of Section 3 below; or
 - x. Any unauthorized transfer, assignment, or delegation in violation of Section 8 below.

SECTION 3 - QUALIFYING SYSTEMS – MAXIMUM CAPACITY

For the term of this Participation Agreement, the total nameplate capacity of a Qualifying System(s) at the Site shall be less than or equal to 50 kW direct current (DC) (50 kW alternating current (AC) if the system is a synchronous generator and does not require an inverter). However, if the proposed total nameplate capacity of the Qualifying System at the Site:

- (i) exceeds 10 kW, Distributor shall review the kWh energy consumption at the Site (Site Power Usage Review) during the past twelve (12) months, as recorded monthly by the single associated Billing Meter at the Site, and the maximum total nameplate capacity (Maximum Capacity) of the Qualifying System under this Participation Agreement shall be the lesser of (a) 50 kW and (b) the kW capacity that is designed to generate no more than 100% of the historical annual usage in kWh at the Site, as recorded by the associated Billing Meter at the Site.
- (ii) is 10 kW or less, no Site Power Usage Review shall be required.

Furthermore, Participant must be able to demonstrate, on an ongoing basis, that the Qualifying System generates electricity from one of the resources (Qualifying Resources) included as eligible per Guideline 4 as such Guideline existed at the time this Participation Agreement was executed. If Participant intends to increase or decrease the nameplate capacity of its Qualifying System, Participant shall complete Attachment D (Request to Amend Participation Agreement to Modify Capacity of Qualifying System) and forward it, along with any requested supporting documents, to Distributor and TVA for review and potential approval and execution. In addition, any intended increase of the nameplate capacity of the Qualifying System, so that the total (existing and new) capacity amounts to more than 10 kW, must be in accordance with Subsection 3(i). Any unauthorized increase of the Qualifying System's total nameplate capacity may result in termination of this Participation Agreement.

SECTION 4 - PARTICIPATION ELIGIBILITY

Participant's eligibility for participation in the Program is based upon Participant meeting the following criteria:

- (a) If Participant is a residential customer, the Participant must have a residential building at the Site of the Qualifying System. If Participant is a commercial or industrial customer of Distributor, the primary commercial or industrial purpose at the Site shall not be electricity generation; and
- (b) Participant must submit the design of its proposed Qualifying System, along with an interconnection application, including the proposed equipment specifications, in advance of submitting a signed Participation Agreement, to Distributor for review; and
- (c) The Qualifying System:
 - i. must not have previously generated renewable energy for sale to TVA prior to October 1, 2012, unless the Qualifying System was part of the Generation Partners pilot;

- ii. must meet the requirements of the Green-e Energy National Standard as provided by the Center for Resource Solutions, or any successor entity;
 - iii. must meet the requirements of the type of Qualifying System outlined in Guideline 4;
 - iv. must have a minimum nameplate capacity equal to or greater than 0.50 kW;
 - v. must comply with all requirements established by the Distributor for interconnecting a Qualifying System to its distribution system, including without limitation signing Distributor's Interconnection Agreement and paying Distributor for any interconnection studies and other associated costs. Furthermore, the Qualifying System (including all interconnection-related equipment) must have been tested and listed by a Nationally Recognized Testing Laboratory for continuous interactive operation with an electric distribution system in compliance with IEEE 1547 (Standard for Interconnecting Distributed Resources with Electric Power Systems), IEEE 1547.2 (Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems), and UL 1741 (Inverters, Converters, and Controllers for use in Independent Power Systems) prior to Distributor signing the System Acceptance Form;
 - vi. must be properly designed, constructed, and installed, and the installer and manufacturer shall provide evidence of the testing and compliance with the applicable requirements prior to Distributor signing the System Acceptance Form. All Qualifying Systems shall be maintained and tested on an ongoing basis in accordance with manufacturer's instructions and Distributor and TVA shall have the right to obtain copies of the test results; and
 - vii. must be manufactured (if a packaged system) and installed in compliance with all requirements of the latest edition of the National Electric Code (American National Standards Institute/National Fire Protection Association-70) prior to Distributor signing the System Acceptance Form; and
- (d) All installations must be permitted as required by law, be certified by a licensed electrician, and pass any applicable code inspections prior to Distributor signing the System Acceptance Form; and
- (e) For safe operation, the Qualifying System and its associated facilities must have a manual, lockable, visible load break AC disconnect switch with such switch easily accessible by Distributor prior to Distributor signing the System Acceptance Form; and
- (f) The construction and installation of the Qualifying System must be completed, in compliance with the Interconnection Agreement requirements and the terms and conditions of this Participation Agreement, by the Deadline. If these terms and conditions are not met before the Deadline, Participant may not reapply for participation in the Program within the period of one hundred eighty (180) Calendar

Days from the date of TVA's execution of the Participation Agreement in accordance with the then-current applicable Guidelines; and

- (g) The annual Program participation limit as established in Guideline 12 of the Guidelines must not have been reached at the time TVA is asked to review and execute this Participation Agreement. Once a Distributor and a Participant have signed a Participation Agreement and presented it to TVA for review and possible execution, TVA shall be under no obligation to execute said Participation Agreement once the MW limit for that year has been reached, notwithstanding any actions taken and expenses incurred to date by the Participant; and
- (h) No generation credits shall be due to Participant for any generation above the total nameplate Maximum Capacity.

SECTION 5 - BILLING AND PAYMENTS

Distributor shall choose one of the two options provided for under Subsections 5.1 and 5.2 below, and credits and incentives shall be credited or paid to each Participant accordingly. Each Participant shall be paid the then-current applicable Premium Rate as was stated in Guideline 8 of Guidelines as it was in effect on the date of TVA's execution of the Participation Agreement.

5.1 Distributor Billing Option. Under this option, Distributor shall administer any Generation Credits due to Participant under this Subsection 5.1 using Site's power consumption (recorded on the single associated Billing Meter) and Site's power generation (recorded on the associated Generation Meter), and provide to Participant any Generation Credits due effective with the billing period when the Qualifying System commences generation into Distributor's electric system, and for each billing period thereafter during the term of this Participation Agreement, Distributor shall include the following in its determination of Participant's power bill: Distributor shall (a) apply all charges and credits for power and energy to the kW and kWh energy consumed by Participant at the Site and any other charges and credits determined in accordance with the applicable retail rate schedule, as appropriate, and (b) credit Participant with Generation Credit for the eligible renewable energy (kWh) delivered to Distributor's system. Said Generation Credit shall be calculated by applying the retail rate schedule (residential or deemed to be GSA1 for all commercial and industrial customers) and the applicable Premium Rate, as determined by Guideline 8 of the Guidelines, to the kWh energy generated by the Qualifying System at the Site.

If the Generation Credit exceeds the sum of all charges and other credits on Participant's power bill resulting in Participant being owed money for the billing period, Distributor may elect to carry over any such payment due to Participant as an additional credit on Participant's power bill for the following billing period, and may continue to do so for a total of twelve (12) consecutive billing periods. If at the end of this cumulative period the value of Participant's Generation Credits exceeds the net sum of all charges and other credits for such cumulative period, Distributor shall pay Participant for the balance due.

The Distributor's periodic power bill to Participant shall include calculations of the amounts owed, if any, to Participant with specific reference to the applicable retail rate schedule and Premium Rate.

5.2 TVA-Vendor Billing Option. Under this option, Distributor and Vendor shall administer any payments due to Participant.

- (a) Effective with the billing period when the Qualifying System commences generation into Distributor's electric system, and for each billing period thereafter during the term of this Participation Agreement, Distributor shall include the following in its determination of Participant's power bill: Distributor shall (a) apply all charges and credits for power and energy to the kW and kWh energy consumed by Participant at the Site and any other charges and credits determined in accordance with the applicable retail rate schedule, as appropriate, and (b) credit Participant with Generation Credit for the eligible renewable energy (kWh) delivered to Distributor's system. Said Generation Credit shall be calculated by applying the retail energy retail rate schedule (residential or deemed to be GSA1 for all commercial and industrial customers) to the kWh energy generated by the Qualifying System at the Site. Distributor's bill to the Participant shall include calculations of the amounts owed to Participant with specific reference to the applicable retail energy rate schedule.
- (b) Based upon generation data of the Qualifying System provided by Distributor to TVA, TVA shall cause Vendor to deliver to Participant, as soon as reasonably practical, but no later than ten (10) Business Days following the end of each calendar month, a statement, check, or other approved payment notification showing energy delivered from the Qualifying System during the previous month(s) and a computation of the payment due to Participant. Such payment shall be calculated by applying the applicable Premium Rate, as determined by Guideline 8 of the Guidelines, to the kWh energy measured on the Generation Meter. In the event that generation information of a Qualifying System is not promptly provided due to such events as meter malfunction or communications failure, the time period in which Distributor delivers said data to TVA and Vendor may be extended as appropriate. Payments due, if any, by Vendor to Participant under this Subsection 5.2 are due within thirty (30) Calendar Days from the date of the statement.

Vendor's statement to the Participant shall include calculations of the amounts owed to Participant with specific reference to the applicable Premium Rate.

5.3 Incentive. Depending on Distributor's selection of Distributor Billing Option or TVA-Vendor Billing Option, Distributor or Vendor shall provide a one-time \$1,000 incentive payment to Participant. Said one-time incentive payment shall be paid per Qualifying System per Site. Further, the one-time incentive payment shall be made after the Participant's completion and Distributor's and TVA's approval and execution of the System Acceptance Form and after the Qualifying System has successfully completed the commissioning requirements.

SECTION 6 - INTERCONNECTION

Participant shall be responsible for the design, purchase, construction, installation, commissioning, ownership, operation, and maintenance (Work) of the Qualifying System and all auxiliary and interconnecting equipment, or cause the owner of Qualifying System (Qualifying System Owner) to do the Work, in accordance with the terms of the Interconnection Agreement.

Distributor shall not approve or execute any Participation Agreement(s) until Participant has paid all Program and/or interconnection application fees. Further, TVA shall have no obligation to purchase the electric power generated by the Qualifying System unless and until the Participant is in compliance with the approved interconnection and safety requirements and all other requirements under this Participation Agreement for the Qualifying System.

SECTION 7 - METERING

Distributor shall purchase, install, own, operate, and maintain the Generation Meter. Any repairs or replacements of the Generation Meter shall also be provided by Distributor, or its representative. Further, the metering arrangement configuration for measuring the energy output of the Qualifying System shall be determined by Distributor. If said configuration requires replacement of the Billing Meter by a bi-directional meter, Distributor, at no cost to Participant, shall purchase, install, own, operate, and maintain said bi-directional meter. Any future replacement of the Billing Meter or said bi-directional meter shall be provided by Distributor at Participant's expense.

If the interconnection of the Qualifying System and installation of either the Generation Meter or Billing Meter requires additional costs in excess of Program reimbursements, the associated net costs shall be at the Participant's expense. This includes additional grid infrastructure requirements (e.g. transformers) that may be needed to accompany the construction and installation of the Qualifying System.

Upon termination of this Participation Agreement, Distributor and Participant shall cooperate in removing the Generation Meter from the Site. Distributor, at its expense, shall remove the Generation Meter from the Site, and Participant shall cooperate with Distributor, or its representative, for the purpose of such removal.

SECTION 8 - TRANSFER AND ASSIGNMENT

- (a) No party shall voluntarily transfer, assign, or delegate this Participation Agreement or any of the party's rights or duties hereunder without the prior written consent of the other parties, and such consent shall not to be unreasonably withheld. Further, any unauthorized assignment may result in termination of this Participation Agreement as provided in Subsection 2.2 above.
- (b) If Participant (Participant/Transferor) intends to transfer ownership of the Site to a new owner (New Participant/Transferee), Participant/Transferor shall notify Distributor by completing Attachment C (Request to Amend Participation Agreement by Changing Participant and/or Qualifying System Owner). Once signed by the Participant/Transferor and the New Participant/Transferee, Attachment C shall be submitted to Distributor at least thirty (30) Calendar Days prior to the requested effective date of such assignment. Upon approval, Distributor and TVA will execute the attachment and return copies of the fully executed attachment to the Participant/Transferor and the New Participant/Transferee for their records. By signing Attachment C, the New Participant/Transferee affirms its understanding of and concurs with the terms and conditions of this Participation Agreement.

- (c) If Participant is a tenant of the Site and its tenancy is terminated, Participant may assign this Participation Agreement to a new tenant (New Participant/Transferee) by notifying Distributor and completing Attachment C. Once signed by Participant/Transferor and the New Participant/Transferee, Attachment C shall be submitted to Distributor at least thirty (30) Calendar Days prior to the requested effective date of such assignment. Upon approval, Distributor and TVA will execute the attachment and return copies of the fully executed attachment to the Participant/Transferor and the New Participant/Transferee for their records. By signing Attachment C, the New Participant/Transferee affirms its understanding of and concurs with the terms and conditions of this Participation Agreement.
- (d) If Participant is not the Qualifying System Owner and the Qualifying System Owner (Qualifying System Owner/Transferor) intends to transfer ownership to a new owner (New Qualifying System Owner/Transferee), Participant shall notify Distributor of said intent by completing Attachment C. Once Attachment C is executed by Participant, Qualifying System Owner/Transferor, and the New Qualifying System Owner/Transferee, Attachment C shall be submitted to Distributor at least thirty (30) Calendar Days prior to the effective date of such assignment. Upon approval, Distributor and TVA will execute the attachment and return copies of the fully executed attachment to the Participant, Qualifying System Owner/Transferor, and the New Qualifying System Owner/Transferee for their records. By signing Attachment C, the New Qualifying System Owner/Transferee affirms its responsibilities under the Participation Agreement.
- (e) Upon Participant's death or incapacity, if Participant's estate executor, conservator, attorney in fact, or court ordered agent (herein collectively Agent) wishes to continue with the terms and conditions of this Participation Agreement and Guidelines, Agent shall complete Attachment C and forward it to Distributor and TVA for review and potential approval and execution; otherwise, the Participation Agreement shall be terminated in accordance with Subsection 2.2, and any eligible Applicant including the new owner of Site must reapply for Program participation in accordance with the then-current applicable Guidelines.
- (f) Each time an assignment of this Participation Agreement or ownership transfer of the Qualifying System is intended by Participant/Transferor or Qualifying System Owner/Transferor, as provided in Subsections 9(b), 9(c), and 9(d) above, Participant/Transferor shall execute, and cause as appropriate, the New Participant/Transferee or the New Qualifying System Owner/Transferee to execute Attachment C. Attachment C shall be forwarded to Distributor, along with supporting documentation and the assignment fee for Distributor's cost of processing said assignment, if any.
- (g) If ownership of the Site is transferred (or Participant's tenancy of the Site is terminated) and Participant and/or Qualifying System Owner elect to relocate the Qualifying System to a different location, this Participation Agreement shall be terminated upon thirty (30) Calendar Days' written notice to the Distributor, as outlined in Subsection 2.2(b) above.
- (h) If Participant/Transferor is no longer a customer of Distributor at the Billing Meter of the Site of the Qualifying System and Participant/Transferor fails to sign Attachment C, Participant/Transferor specifically gives TVA and Distributor the

right to assign this Participation Agreement to the new owner of Site or tenant who is a customer of Distributor at the Billing Meter of the Site of the Qualifying System. If Participant/Transferor and Qualifying System Owner/Transferor do not notify TVA and the Distributor of transfer of ownership of the Qualifying System, the Participant/Transferor and Qualifying System Owner/Transferor specifically give TVA and the Distributor the right to assign this Participation Agreement to the New Qualifying System Owner/Transferee and to change the name and address of the Qualifying System Owner/Transferor to that of the New Qualifying System Owner/Transferee upon written documentation of change of ownership.

SECTION 9 - ENVIRONMENTAL CREDITS

TVA shall have the sole right and title to any renewable energy credits (including tradable renewable credits or green tags), or other associated benefits or environmental attributes of energy generated from the renewable nature of the Qualifying System (without regard to whether any governmental authority or other organization has registered, certified, or otherwise taken action to recognize said credits, tags, benefits, or attributes), that have accrued or are arising or accruing now and in the future as a result of the generation of electricity from the Qualifying System (Environmental Credits) beginning on the Effective Date and continuing throughout the term of this Participation Agreement. At no cost to TVA or Distributor, Participant shall cooperate with TVA and Distributor in taking whatever action is necessary and reasonable to establish or obtain such Environmental Credits, as may be required now or in the future by applicable law, and transfer them to Distributor, who shall in turn transfer all such Environmental Credits to TVA.

For the term of this Participation Agreement, the Participant and Owner of Qualifying System cannot make claims or statements about using renewable electricity, cutting back on greenhouse gas (GHG) emissions from electricity through the use of renewable electricity, or receiving any other environmental benefits of renewable energy use constitute the claiming of a renewable energy credit (REC). Participant and Owner of Qualifying System understand that if claims of using renewable electricity or any of the environmental attributes within a REC, those claims would violate the terms of this Participation Agreement, since TVA, through this Participation Agreement, is purchasing one hundred percent (100%) of the RECs generated by the renewable energy installation and selling the RECs through its Green Power Switch program. If Participant and Owner of Qualifying System wish to make such claims, they must purchase the equivalent RECs through the Green Power Switch program or other product.

SECTION 10 - INDEMNIFICATION AND RELEASE

Participant and the Qualifying System Owner shall release, indemnify, defend, and save harmless the Distributor, TVA, the United States of America, and their respective officers, agents, employees, and contractors from all liability, claims, demands, causes of action, costs, or losses for personal injuries, property damage, special damages, consequential damages, indirect damages, or loss of life or property sustained by Participant and/or the Qualifying System Owner, their agents, contractors, and families, or third parties arising out of or in any way connected with the Green Power Providers program including, without limitation, the design, purchase, construction, installation,

ownership, testing, commissioning, operation, maintenance, repair, replacement, removal, defect, or failure of the Qualifying System under this Participation Agreement and Participant's and the Qualifying System Owner's interconnection and safety equipment. The obligations of this Section 10 shall survive termination of this Participation Agreement.

SECTION 11 - FORCE MAJEURE EVENT

- (a) A Force Majeure Event shall mean any act of God or the public enemy, fires, epidemics, quarantines, strikes, freight embargoes or delays in transportation, priorities or other acts or orders of governmental authority, or unforeseeable severe weather or floods, or any causes, whether or not of the same class or kind of those specifically above named, that are in each case (i) beyond the reasonable control of such affected party, (ii) by the exercise of reasonable foresight such party could not reasonably have been expected to avoid, and (iii) by the exercise of due diligence, such party shall be unable to prevent or overcome.
- (b) If a Force Majeure Event prevents Participant from fulfilling any of its obligations under this Participation Agreement, Participant shall promptly in writing notify Distributor, or its authorized representatives, of the existence of the Force Majeure Event. The notification must specify in reasonable detail the circumstances of the Force Majeure Event, the expected duration, and the steps that Participant is taking to alleviate the effects of the event on its performance, and, if the initial notification is verbal, it shall be promptly followed up with a written notification. Participant shall keep Distributor informed in writing on a continuing basis of developments relating to the Force Majeure Event until the event ends. Participant shall be entitled to suspend or modify its performance of obligations under this Participation Agreement only to the extent that the effect of the Force Majeure Event, as determined in TVA's sole discretion, cannot be reasonably mitigated. In the event of such suspension or modification, TVA shall determine, in its sole discretion, when the Force Majeure Event has ended.

SECTION 12 - ACCESS

Distributor and TVA shall have access to the Site:

- (a) at reasonable hours, and upon reasonable notice, to inspect the Qualifying System's protective apparatus and to read, maintain, or test meters, or for any reasonable purpose in connection with this Participation Agreement or Distributor's obligation to provide service to its customers; and
- (b) at any time without notice to Participant, in order to disconnect the Qualifying System from the Distributor's distribution system, in the event Distributor reasonably believes a hazardous condition exists and such immediate action is necessary to protect persons, Distributor's facilities, or property of others from damage or interference caused by Participant's facilities or lack of properly operating protective devices.

SECTION 13 - DISCLOSURE

Participant understands that Distributor or TVA may publish or disclose to others information obtained from the Program but will not release, without the prior consent of

Participant, information that could personally identify Participant except to employees, contractors, or agents of Distributor and TVA, or when disclosure is required by law.

SECTION 14 - THIRD PARTY BENEFICIARIES

This Participation Agreement is solely for the benefit of Participant, Distributor, and TVA and shall not be construed as creating any duty, standard of care, or any liability to any person not a party to this Participation Agreement.

SECTION 15 - PARTICIPANT AND QUALIFYING SYSTEM INFORMATION

15.1 Participant's and Qualifying System's Type Information (This information must be fully completed by the Participant.)

- The Qualifying System shall be located at the following Address*:

City: _____ State: _____ Zip Code: _____
- Participant Electric Service Account Number: _____
- Participant Type: ☐ Residential ☐ Commercial or Industrial
- Qualifying System Type and Nameplate Capacity: (Please check below.)
☐ Solar Photovoltaic (PV) ☐ Wind ☐ ** Low-Impact Hydro ☐ Biomass
If Biomass, please specify the fuel type: _____
- Total Nameplate Capacity of Qualifying System: _____ kW DC
(kW AC for biomass or synchronous generators)

* Note: the Address must match the local power company's billing system physical address.

** Hydro generation must be located in the Cumberland River watershed or in the Mississippi River, and the Participant must provide documentation that it meets any applicable requirements of the Federal Energy Regulatory Commission (FERC). Hydro generation could be located in the Tennessee River watershed only if TVA were to issue a Section 26a permit.

15.2 Contract Administration and Notices. Notices given under this Participation Agreement shall be deemed to have been duly delivered if hand delivered or sent by United States certified mail, return receipt requested, postage prepaid, to:

Participant:

Distributor:

TVA:

Manager, End Use Generation,
Renewable Energy Programs
26 Century Boulevard, OCP 2J
Nashville, Tennessee 37214

The above-listed names and addresses of any party for notices may be changed by written notification to the other parties to this Participation Agreement as directed above. If Participant would like to assign this Participation Agreement to another person, Participant must complete Attachment C and submit it to Distributor and TVA for review, in accordance with Section 8 above.

SECTION 16 - QUALIFYING SYSTEM OWNERSHIP

Participant shall indicate below the ownership of the Qualifying System by completing, or causing the Qualifying System Owner to complete, the following:

Check one:

- ☐ Participant is the owner of the Qualifying System and shall sign below at the bottom of this Section 16.
- ☐ Participant is not the owner of the Qualifying System at the Address and shall have the Qualifying System Owner sign below:

I am the owner of the Qualifying System that is installed at the Address. I have had the Program explained to me, and I specifically agree to Sections 8(h) (Transfer and Assignment) and 10 (Indemnification and Release) above. Accordingly, I give my permission for Distributor and TVA to review the interconnection of the Qualifying System at the Address. I give my permission to use of the Qualifying System in the Program as provided herein. I will cooperate with the parties participating in the Program as set out in this Participation Agreement. I have the authority to sign below.

Name of Qualifying System Owner

Qualifying System Owner Signature

Date

SECTION 17 - SIGNATURES

17.1 Participant's Signature

By its signature below, Participant acknowledges that it has read and understands this Participation Agreement and agrees to comply with all of the terms and conditions set forth herein.

If Participant is the Qualifying System Owner, Participant gives permission for Distributor and TVA to review the interconnection of the Qualifying System at the Address. Participant understands that the Qualifying System is not entitled to generate power and Participant is not entitled to Generation Credits or rebates unless and until Distributor and TVA execute this Participation Agreement and the System Acceptance Form.

Participant hereby warrants and certifies that all information submitted in this Participation Agreement is accurate and the Participant has the authority to enter into this Participation Agreement. In making this warranty and certification, Participant acknowledges that Participant is aware that Section 21 of the Tennessee Valley Authority Act of 1933, as amended, (16 U.S.C. § 831f) provides criminal sanctions including fines and imprisonment for any person who is convicted of, among other things, defrauding TVA.

Specifically, Participant understands that Participant is bound by the then-current Guidelines in effect at the time TVA executes this Participation Agreement, and the Guidelines in effect at the time TVA executes this Participation Agreement can be different than what the Participant has reviewed. Participant is responsible for reading, understanding, and adhering to the then-current Guidelines in effect at the time TVA executes this Participation Agreement.

Participant accepted and agreed to the foregoing this ____ day of _____, 20____.

Participant Name

Participant's Authorized Officer Name & Title
(please complete only if Participant is
a commercial or industrial customer)

Participant or Participant's Authorized
Representative Signature

17.2 Distributor's Signature

Distributor's signature below indicates that it has read and understands this Participation Agreement and agrees to be bound by all of the terms and conditions set forth herein. In particular, Distributor indicates that the Qualifying System's design and the Participant information provided under Section 15.1 above have met the initial Program and interconnection design requirements, but that Distributor shall not allow the Qualifying System's power to flow onto its electric distribution or transmission system unless and until Distributor and TVA execute the System Acceptance Form with respect to the completed construction.

Accepted and agreed to the foregoing this ____ day of _____, 20____.

Distributor Name

(Distributor Representative Name & Title)

Distributor Representative Signature

17.3 TVA's Signature

APPROVED ☐

DENIED ☐

COMMENTS/REASONS FOR DENIAL:

Accepted and agreed to the foregoing this ____ day of _____, 20____.

TENNESSEE VALLEY AUTHORITY

(TVA Representative Name & Title)

TVA Representative Signature

| | |
|---------------------------|--|
| For Distributor Use Only: | |
| | |

| | |
|-------------------|--|
| For TVA Use Only: | |
| | |

GREEN POWER PROVIDERS DISTRIBUTOR FACILITY PARTICIPATION AGREEMENT

THIS GREEN POWER PROVIDERS DISTRIBUTOR FACILITY PARTICIPATION AGREEMENT (Participation Agreement), between _____, its successors and assigns, hereinafter called "Distributor," and Tennessee Valley Authority, its successors and assigns, hereinafter called "TVA," bears the following recitals:

- I. Distributor and TVA are cooperating in a program entitled Green Power Providers (Program) under which TVA acquires electric energy from qualifying renewable generation systems constructed and installed at locations served by Distributor.
- II. Distributor intends to construct, own, operate, and maintain a generation facility (Qualifying System) that is an eligible system under this Participation Agreement and is described below, located at Distributor's facility (Account) address (Address) identified in Subsection 15.1 below.
- III. The parties understand that the intent of the Program is to encourage Distributor's residential customers (billed under Schedule RS or its equivalent) and Distributor's commercial and industrial customers (billed under the General Power Service or Manufacturing Service Rate Schedules or their equivalent, as defined in Distributor rate schedules) to install renewable generation, and that Distributor, for and on behalf of its own Account, is also eligible to participate in the Program in accordance with this Participation Agreement. Distributor agrees that Account's primary commercial or industrial purpose is not electricity generation at the Address of the Qualifying System.
- IV. Distributor wishes to sell to TVA and TVA wishes to purchase from Distributor's Account the power and associated energy produced from the Qualifying System, together with the environmental attributes associated with it, in accordance with the terms and conditions set forth in this Participation Agreement.

Subject to and in accordance with the Green Power Providers Program Participation Guidelines (Guidelines), attached to and made part of this Participation Agreement, the parties agree as follows:

SECTION 1 - DEFINITIONS

For purpose of this Participation Agreement (i) all terms used herein with initial capital letters are textually defined within this Participation Agreement, and (ii) all underlined terms used herein shall be deemed to mean those terms as defined in Guideline 2 of the Guidelines.

SECTION 2 - TERM AND TERMINATION

2.1 Effective Date and Term. This Participation Agreement shall be deemed effective as of the date (Effective Date) that TVA executes this Participation Agreement. The date on which Distributor accepts the Qualifying System by executing the Distributor's Acceptance of Qualifying System Form (System Acceptance Form) shall be called the Delivery Commencement Date. If the Distributor does not accept the Qualifying System by fully executing and submitting the System Acceptance Form within one hundred eighty (180) Calendar Days of TVA's execution of this Participation Agreement under Subsection 17.3 below (Deadline), this Participation Agreement shall automatically terminate.

Unless sooner terminated as provided in this Participation Agreement, this Participation Agreement shall remain in effect for twenty (20) years from the Effective Date.

2.2 Termination. This Participation Agreement may be terminated by:

- (a) The mutual agreement of the parties in writing at any time; or
- (b) TVA at any time upon written notice to Distributor that it has determined that any of the following conditions have occurred:
 - i. After the Delivery Commencement Date, there has been a sustained lack of generation (less than an average of 10 kWh per month) from the Qualifying System for a period of six (6) consecutive months or more;
 - ii. The Qualifying System or its interconnection or safety equipment violate any applicable local, state, or federal codes or pose a safety hazard as determined by TVA;
 - iii. The interconnection or safety equipment ceases to comply with the requirements of Section 4 below;
 - iv. The Qualifying System includes generation from a non-Qualifying Resource (defined below) and/or ceases to meet the participation conditions outlined in this Participation Agreement or the Guidelines;
 - v. Generation from the Qualifying System is used by the Account to provide credits for electric consumption at a location other than the Address herein;
 - vi. Distributor ceases to be a customer of TVA;
 - vii. Account ceases to be owned or operated by Distributor at Site, unless this Participation Agreement is assigned to a new owner of Site as provided for under Section 8 below;
 - viii. Distributor does not comply with or breaches the terms of this Participation Agreement;
 - ix. Distributor increases the nameplate capacity of the Qualifying System without permission from TVA, in violation of Section 3 below; or
 - x. Any unauthorized transfer, assignment, or delegation in violation of Section 8 below.

SECTION 3 - QUALIFYING SYSTEMS – MAXIMUM CAPACITY

For the term of this Participation Agreement, the total nameplate capacity of a Qualifying System(s) at the Site shall be less than or equal to 50 kW direct current (DC) (50 kW alternating current (AC) if the system is a synchronous generator and does not require an

inverter). However, if the proposed total nameplate capacity of the Qualifying System at the Site:

- (a) exceeds 10 kW, Distributor shall review the kWh energy consumption at the Site (Site Power Usage Review) during the past twelve (12) months, as recorded monthly by the single associated Billing Meter at the Site, and the maximum total nameplate capacity (Maximum Capacity) of the Qualifying System under this Participation Agreement shall be the lesser of (a) 50 kW and (b) the kW capacity that is designed to generate no more than 100% of the customer's historical annual usage in kWh, as recorded by the associated Billing Meter at the Site.

- (b) is 10 kW or less, no Site Power Usage Review shall be required.

Furthermore, Distributor must be able to demonstrate, on an ongoing basis, that the Account's Qualifying System generates electricity from one of the resources (Qualifying Resources) included as eligible per Guideline 4 as such Guideline existed at the time this Participation Agreement was executed. If Distributor intends to increase or decrease the nameplate capacity of the Account's Qualifying System, Distributor shall complete Attachment D (Request to Amend Participation Agreement to Modify Capacity of Qualifying System) and forward it, along with any requested supporting documents, to TVA for review and potential approval and execution. In addition, any intended increase of the nameplate capacity of the Qualifying System, so that the total (existing and new) capacity amounts to more than 10 kW, must be in accordance with Subsection 3(a). Any unauthorized increase of the Qualifying System's capacity may result in termination of this Participation Agreement.

Should the Qualifying System cease to meet the participation conditions outlined in this Participation Agreement and the Guidelines, TVA, in its sole discretion, may terminate this Participation Agreement upon thirty (30) Calendar Days prior written notice.

SECTION 4 - PARTICIPATION ELIGIBILITY

Distributor's Account eligibility for participation in the Program is based upon Account meeting the following criteria:

- (a) Distributor's primary commercial purpose at the commercial building at the Address shall not be electricity generation at the Site; and
- (b) Participant must submit the design of its proposed Qualifying System, along with an interconnection application, including the proposed equipment specifications in advance of submitting a signed Participation Agreement, to Distributor for review; ; and

(c) The Qualifying System:

- i. must not have previously generated renewable energy for sale to TVA prior to October 1, 2012, unless the Qualifying System was part of the Generation Partners pilot;
 - ii. must meet the requirements of the Green-e Energy National Standard as provided by the Center for Resource Solutions, or any successor entity;
 - iii. must meet the requirements of the type of Qualifying System outlined in Guideline 4;
 - iv. must have a minimum nameplate capacity equal to or greater than 0.50 kW;
 - v. must comply with all requirements established by the Distributor for interconnecting a Qualifying System to its distribution system, including without limitation signing Distributor's Interconnection Agreement and paying Distributor for any interconnection studies and other associated costs. Furthermore, The Qualifying System (including all interconnection-related equipment) must have been tested and listed by a Nationally Recognized Testing Laboratory for continuous interactive operation with an electric distribution system in compliance with IEEE 1547 (Standard for Interconnecting Distributed Resources with Electric Power Systems), IEEE 1547.2 (Standard Conformance Test Procedures for Equipment Interconnecting Distributed Resources with Electric Power Systems), and UL 1741 (Inverters, Converters, and Controllers for use in Independent Power Systems) prior to Distributor signing the System Acceptance Form.
 - vi. must be properly designed, constructed, and installed and installer and manufacturer shall provide evidence of the testing and compliance with the applicable requirements prior to Distributor signing the System Acceptance Form. All Qualifying Systems shall be maintained and tested on an ongoing basis in accordance with manufacturer's instructions and TVA shall have the right to obtain copies of the test results; and
 - vii. must be manufactured (if a packaged system) and installed in compliance with all requirements of the latest edition of the National Electric Code (American National Standards Institute/National Fire Protection Association-70) prior to Distributor signing the System Acceptance Form; and
- (d) All installations must be permitted as required by law, be certified by a licensed electrician, and pass any applicable code inspections prior to Distributor signing the System Acceptance Form; and
- (e) For safe operation, the Qualifying System and its associated facilities shall include a manual, lockable, visible load break AC disconnect switch with such switch easily accessible by Distributor; and

- (f) The construction and installation of the Qualifying System must be completed, in compliance with the Interconnection Agreement requirements and the terms and conditions of this Participation Agreement by Deadline. If these terms and conditions are not met on or before the Deadline, Distributor may not reapply for its Account's participation in the Program within the period of one hundred eighty (180) Calendar Days from the date of TVA's execution of the Participation Agreement in accordance with the then-current applicable Guidelines; and
- (g) The annual Program participation limit as established in Guideline 12 of the Guidelines must not have been reached at the time TVA is asked to review and execute this Participation Agreement. Once Distributor has signed the Participation Agreement and presented it to TVA for review and possible execution, TVA shall be under no obligation to execute said Participation Agreement once the MW limit for that year has been reached, notwithstanding any actions taken and expenses incurred to date by Distributor for its Account's participation in the Program; and
- (h) No Generation Credits shall be due to Distributor's Account for any generation above the total nameplate Maximum Capacity.

SECTION 5 - BILLING AND PAYMENTS

Distributor shall choose one of the two options provided for under Subsections 5.1 and 5.2 below, and credits and incentives shall be credited or paid to its Account accordingly. Account shall be paid the then-current applicable Premium Rate as was stated in Guideline 8 of Guidelines as it was in effect on the date of TVA's execution of the Participation Agreement.

5.1 Distributor Billing Option. Under this option, Distributor will administer any Generation Credits due to Account under this Subsection 5.1 using Site's power consumption (recorded on the single associated Billing Meter) and Site's power generation (recorded on the associated Generation Meter), and provide to Account any Generation Credits due effective with the billing period when the Qualifying System commences generation into Distributor's electric system, and for each billing period thereafter during the term of this Participation Agreement, Distributor shall include the following in its determination of Account's power bill: Distributor shall (a) apply all charges and credits for power and energy to the kW and kWh energy consumed by Account at the Site and any other charges and credits determined in accordance with the applicable retail rate schedule, as appropriate, and (b) credit Account with a Generation Credit for the eligible renewable energy (kWh) delivered to Distributor's system. Said Generation Credit shall be calculated by applying the retail rate schedule (deemed to be GSA1 for all commercial and industrial customers) and the applicable Premium Rate, as determined by Guideline 8 of the Guidelines, to the kWh energy generated by the Qualifying System at the Site.

If the Generation Credit exceeds the sum of all charges and other credits on Account's power bill resulting in Account being owed money for the billing period, Distributor may elect to carry over any such payment due to Account as an additional credit on Account's power bill for the following billing period, and may continue to do so for a total of twelve (12) consecutive billing periods. If at the end of this cumulative period the value of Account's Generation Credit exceeds the net sum of all charges and other

credits for such cumulative period, Distributor shall issue payment to Account for the balance due.

Distributor's periodic power bill to Account shall include calculations of the amounts owed, if any, to Account with specific reference to the applicable retail rate schedule and Premium Rate.

5.2 TVA-Vendor Billing Option. Under this option, Distributor and a TVA designated third-party vendor (Vendor) shall administer any payments due to Account.

- (a) Effective with the billing period when the Qualifying System commences generation into Distributor's electric system, and for each billing period thereafter during the term of this Participation Agreement, Distributor shall include the following in its determination of Account's power bill: Distributor shall (a) apply all charges and credits for power and energy to the kW and kWh energy consumed by Account at the Site and any other charges and credits determined in accordance with the applicable retail rate schedule, as appropriate, and (b) credit Account with a Generation Credit for the eligible renewable energy (kWh) delivered to Distributor's system. Said Generation Credit shall be calculated by applying the retail energy schedule (deemed to be GSA1 for all commercial and industrial customers) to the kWh energy generated by the Qualifying System at the Site. Distributor's bill to the Account shall include calculations of the amounts owed to Account with specific reference to the applicable retail energy rate schedule.
- (b) Based upon generation data of the Qualifying System provided by Distributor to TVA, TVA shall cause Vendor to deliver to Account, as soon as reasonably practical, but no later than ten (10) Business Days following the end of each calendar month, a statement, check, or other approved payment notification showing energy delivered from the Qualifying System during the previous month(s) and a computation of the payment due to Account. Such payment shall be calculated by applying the applicable Premium Rate to the kWh energy measured on the Generation Meter. In the event that generation information of a Qualifying System is not promptly provided due to such events as meter malfunction or communications failure, the time period in which Distributor delivers said data to TVA and Vendor may be extended as appropriate. Payments due, if any, by Vendor under this Subsection 5.2 are due within thirty (30) Calendar Days from the date of the statement.

Vendor's statement to the Account shall include calculations of the amounts owed to Account with specific reference to the applicable Premium Rate.

5.3 Incentive. Depending on Distributor's selection of Distributor Billing Option or TVA-Vendor Billing Option, Distributor or Vendor shall provide a one-time \$1,000 incentive payment to Account. Said one time incentive payment shall be paid per Qualifying System per Site. Further, the one-time incentive payment shall be made after the Distributor's completion and Distributor's and TVA's approval of the System Acceptance Form and after the Qualifying System has successfully completed the commissioning requirements.

SECTION 6 - INTERCONNECTION

Distributor shall be responsible for the design, purchase, construction, installation, commissioning, ownership, operation, and maintenance (Work) of the Qualifying System and all auxiliary and interconnecting equipment, or cause the owner of Qualifying System (Qualifying System Owner) to do the Work, in accordance with the terms of the Interconnection Agreement.

TVA shall have no obligation to purchase the electric power generated by the Qualifying System unless and until the Distributor is in compliance with the approved interconnection and safety requirements and all other requirements under this Participation Agreement for the Qualifying System.

SECTION 7 - METERING

Distributor shall purchase, install, own, operate, and maintain the Generation Meter. Any repairs or replacements of the Generation Meter shall also be provided by Distributor, or its representative. Further, the metering arrangement configuration for measuring the energy output of the Qualifying System shall be determined by Distributor. If said configuration requires replacement of the Billing Meter by a bi-directional meter, Distributor shall purchase, install, own, operate, and maintain said bi-directional meter. Any future replacement of the Billing Meter or said bi-directional meter shall be provided by Distributor at its expense.

If the interconnection of the Qualifying System and installation of either the Generation Meter or Billing Meter requires additional costs in excess of program reimbursements, the associated net costs shall be at the Distributor's expense. This includes additional grid infrastructure requirements (e.g. transformers) that may be needed to accompany the construction and installation of the Qualifying System.

SECTION 8 - TRANSFER AND ASSIGNMENT

- (a) Neither party shall voluntarily transfer, assign, or delegate this Participation Agreement or any of its rights or duties hereunder without the prior written consent of the other party. Such consent shall not to be unreasonably withheld. Further, any unauthorized assignment may result in termination of this Participation Agreement as provided in Subsection 2.2 above.
- (b) If Distributor (Distributor/Transferor) intends to transfer ownership of the Site to a new owner (New Participant/Transferee), Distributor/Transferor shall notify TVA of its intent by completing and submitting Attachment C (Request to Amend Participation Agreement by Changing Participant and/or Qualifying System Owner), which shall include the New Participant's/Transferee's signature, to TVA at least thirty (30) Calendar Days prior to the requested effective date of such assignment. Upon approval, TVA will execute the attachment and return copies of the fully executed attachment to the Distributor/Transferor and the New Participant/Transferee for their records. By signing Attachment C, the New Participant/Transferee affirms its understanding of and concurs with the terms and conditions of this Participation Agreement.

- (c) If Distributor is a tenant of the Site and its tenancy is terminated, Distributor may assign this Participation Agreement to a new tenant (New Participant/Transferee) by notifying TVA and completing Attachment C. Once signed by Distributor/Transferor and New Participant/Transferee, Attachment C shall be submitted to TVA at least thirty (30) Calendar Days prior to the requested effective date of such assignment. Upon approval, TVA will execute the attachment and return copies of the fully executed attachment to Distributor/Transferor and New Participant/Transferee for their records. By signing Attachment C, the New Participant/Transferee affirms its understanding of and concurs with the terms and conditions of this Participation Agreement.
- (d) If Distributor is not the owner of the Qualifying System and the Qualifying System Owner (Qualifying System Owner/Transferor) intends to transfer ownership to a new owner (New Qualifying System Owner/Transferee), Distributor shall notify TVA of said intent and complete Attachment C. Once signed by Distributor, the Qualifying System Owner/Transferor, and the New Qualifying System Owner/Transferee, Attachment C shall be submitted to TVA at least thirty (30) Calendar Days prior to the requested effective date of such assignment. Upon approval, Distributor and TVA will execute the attachment and return copies of the fully executed attachment to the Qualifying System Owner/Transferor and the New Qualifying System Owner/Transferee for their records. By signing Attachment C, the New Qualifying System Owner/Transferee affirms its responsibilities under the Participation Agreement.
- (e) Any unauthorized assignment may result in termination of this Participation Agreement.
- (f) Each time an assignment of this Participation Agreement, or ownership transfer of the Qualifying System, is intended by Distributor/Transferor or Qualifying System Owner/Transferor, as provided in Subsections 9(b), 9(c), and 9(d) above, Distributor/Transferor shall execute on Account's behalf, and cause the New Participant/Transferee or the New Qualifying System Owner/Transferee, as appropriate, to execute Attachment C. The partially executed Attachment C shall be then forwarded to TVA for review and potential approval and execution.
- (g) If ownership of the Site is transferred (or Distributor's tenancy of the Site is terminated) and Distributor and/or Qualifying System Owner elect to relocate the Qualifying System to a different location, this Participation Agreement shall be terminated upon thirty (30) Calendar Days written notice to the Distributor and TVA, as outlined in Subsection 2.2(b) above.

SECTION 9 - ENVIRONMENTAL CREDITS

TVA shall have the sole right and title to any renewable energy credits (including tradable renewable credits or green tags), or other associated benefits or environmental attributes of energy generated from the renewable nature of the Qualifying System (without regard to whether any governmental authority or other organization has registered, certified, or otherwise taken action to recognize said credits, tags, benefits, or attributes), that have accrued or are arising or accruing now and in the future as a result of the generation of electricity from the Qualifying System (Environmental Credits) beginning on the Effective Date and continuing throughout the term of this Participation

Agreement. At no cost to TVA, Distributor shall cooperate with TVA in taking whatever action is necessary and reasonable to establish or obtain such Environmental Credits, as may be required now or in the future by applicable law, and transfer them to TVA.

For the term of this Participation Agreement, Distributor and Owner of Qualifying System cannot make claims or statements about using renewable electricity, cutting back on greenhouse gas (GHG) emissions from electricity through the use of renewable electricity, or receiving any other environmental benefits of renewable energy use constitute the claiming of a renewable energy credit (REC). Distributor and Owner of Qualifying System understand that if claims of using renewable electricity or any of the environmental attributes within a REC, those claims would violate the terms of this Participation Agreement, since TVA, through this Participation Agreement, is purchasing one hundred percent (100%) of the RECs generated by the renewable energy installation and selling the RECs through its Green Power Switch program. If Distributor and Owner of Qualifying System wish to make such claims, they must purchase the equivalent RECs through the Green Power Switch program or other product.

SECTION 10 - INDEMNIFICATION AND LIABILITY

Distributor and Qualifying System Owner, if any, shall release, indemnify, defend, and save harmless TVA, the United States of America, and their respective officers, agents, employees, and contractors from all liability, claims, demands, causes of action, costs, or losses for personal injuries, property damage, special damages, consequential damages, indirect damages, or loss of life or property sustained by Distributor and/or the Qualifying System Owner, their agents, contractors, and families, or third parties arising out of or in any way connected with the Green Power Providers program including, without limitation, the design, purchase, construction, installation, ownership, testing, commissioning, operation, maintenance, repair, replacement, removal, defect, or failure of the Qualifying System under this Participation Agreement and Distributor's and Qualifying System Owner's interconnection and safety equipment. The obligations of this Section 10 shall survive termination of this Participation Agreement.

SECTION 11 - FORCE MAJEURE EVENT

- (a) A Force Majeure Event shall mean any act of God or the public enemy, fires, epidemics, quarantines, strikes, freight embargoes or delays in transportation, priorities or other acts or orders of governmental authority, or unforeseeable severe weather or floods, or any causes, whether or not of the same class or kind of those specifically above named, that are in each case (i) beyond the reasonable control of such affected party, (ii) by the exercise of reasonable foresight such party could not reasonably have been expected to avoid, and (iii) by the exercise of due diligence, such party shall be unable to prevent or overcome.
- (b) If a Force Majeure Event prevents Distributor from fulfilling any of its obligations at the Site under this Participation Agreement, Distributor shall promptly in writing notify TVA, or its authorized representatives, of the existence of the Force Majeure Event. The notification must specify in reasonable detail the circumstances of the Force Majeure Event, the expected duration, and the steps that Distributor is taking to alleviate the effects of the event on its performance, and, if the initial notification is verbal, it shall be promptly followed up with a written notification. Distributor shall keep TVA informed in writing on a continuing basis of developments relating to the

- (c) Force Majeure Event until the event ends. Distributor shall be entitled to suspend or modify its performance of obligations under this Participation Agreement only to the extent that the effect of the Force Majeure Event, as determined in TVA's sole discretion, cannot be reasonably mitigated. In the event of such suspension or modification, TVA shall determine, in its sole discretion, when the Force Majeure Event has ended.

SECTION 12 - ACCESS

TVA shall have access to the Site and/or Address at reasonable hours, and upon reasonable notice, to inspect the Qualifying System's protective apparatus and to read, maintain, or test meters, or for any reasonable purpose in connection with this Participation Agreement.

SECTION 13 - DISCLOSURE

Distributor understands that TVA may publish or disclose to others information obtained from the Program but will not release, without the prior consent of Distributor, information that could personally identify Distributor except to employees, contractors, or agents of TVA, or when disclosure is required by law.

SECTION 14 - THIRD PARTY BENEFICIARIES

This Participation Agreement is solely for the benefit of Distributor and TVA and shall not be construed as creating any duty, standard of care, or any liability to any person not a party to this Participation Agreement.

SECTION 15 - ACCOUNT AND QUALIFYING SYSTEM INFORMATION

15.1 Account's and Qualifying System's Type Information (This information must be fully completed by the Distributor.)

- The Qualifying System shall be located at the following Address*:

City: _____ State: _____ Zip Code: _____

- Participant Electric Service Account Number: _____

- Participant Type: ☐ Residential ☐ Commercial or Industrial

- Qualifying System Type and Nameplate Capacity: (Please check below.)

☐ Solar Photovoltaic (PV) ☐ Wind ☐ ** Low-Impact Hydro ☐ Biomass

If Biomass, please specify the fuel type: _____

- Total Nameplate Capacity of Qualifying System: _____ kW DC
(kW AC for biomass or synchronous generators)

*Note the Address must match the local power company's billing system physical address.

** Hydro generation must be located in the Cumberland River watershed or in the Mississippi River, and the Participant must provide documentation that it meets any applicable requirements of the Federal Energy Regulatory Commission (FERC). Hydro generation could be located in the Tennessee River watershed only if TVA were to issue a Section 26a permit.

15.2 Contract Administration and Notices. Notices given under this Participation Agreement shall be deemed to have been duly delivered if hand delivered or sent by United States certified mail, return receipt requested, postage prepaid, to:

Distributor:

TVA:

Manager, End Use Generation,
Renewable Energy Programs
26 Century Boulevard, OCP 2J
Nashville, Tennessee 37214

The above-listed names and addresses of either party may be changed by written notification to the other party to this Participation Agreement as directed above.

If Distributor would like to assign this Participation Agreement from Account to another person, Distributor must complete Attachment C and submit it to TVA for review, in accordance with Section 8 above.

SECTION 16 - QUALIFYING SYSTEM OWNERSHIP

Distributor shall indicate below the ownership of the Qualifying System by completing, or causing the Qualifying System Owner to complete, the following:

Check one:

- ☐ Distributor is the owner of the Qualifying System and shall sign below at the bottom of this Section 16.
- ☐ Distributor is not the owner of the Qualifying System at the Address and shall have the Qualifying System Owner sign below:

I am the owner of the Qualifying System that is installed at the Address. I have had the Program explained to me, and I specifically agree to Sections 8(h) (Transfer and Assignment) and 10 (Indemnification and Release) above. Accordingly, I give my permission for Distributor and TVA to review the interconnection of the Qualifying System at the Address. I give my permission to use of the Qualifying System in the Program as provided herein. I will cooperate with the parties participating in the Program as set out in this Participation Agreement. I have the authority to sign below.

Name of Qualifying System Owner

Qualifying System Owner Signature and Date

SECTION 17 - SIGNATURES

17.1 Distributor's Signature

By its signature below, Distributor acknowledges that it has read and understands this Participation Agreement and agrees to be bound by all of the terms and conditions set forth herein.

If Distributor is the Qualifying System Owner, Distributor gives his permission for TVA to review the interconnection of the Qualifying System at the Address. Distributor understands that the Qualifying System is not entitled to generate power and Distributor is not entitled to Generation Credits or rebates unless and until Distributor and TVA execute the System Acceptance Form.

The Qualifying System's design and Account information provided under Subsection 15.1 above have met the initial Program and interconnection requirements.

Specifically, Distributor understands that Distributor is bound by the then-current Guidelines in effect at the time TVA executes this Participation Agreement, and the Guidelines in effect at the time TVA executes this Participation Agreement can be different than what the Distributor has reviewed. Distributor is responsible for reading, understanding, and adhering to the then-current Guidelines in effect at the time TVA executes this Participation Agreement.

Accepted and agreed to the foregoing this ____ day of _____, 20__.

DISTRIBUTOR NAME

(Distributor Representative Name & Title)

Distributor Representative Signature

17.2 TVA's Signature

APPROVED ☐

DENIED ☐

COMMENTS/REASONS FOR DENIAL:

Accepted and agreed to the foregoing this ____ day of _____,
20____.

TENNESSEE VALLEY AUTHORITY

(TVA Representative Name & Title)

TVA Representative Signature

DISTRIBUTOR'S ACCEPTANCE OF QUALIFYING SYSTEM FORM (SYSTEM ACCEPTANCE FORM)

After Participant completes the project and Distributor accepts the project and submits the Distributor's Acceptance of Qualifying System Form, TVA will review and may approve the form. If there are deficiencies in the submitted form, TVA may withhold approval and require Distributor to correct the deficiencies and resubmit the corrected form prior to approval.

Section 1 - Participant Information

Participant Name*: [REDACTED]

Participation Agreement Number: [REDACTED]

Street Address of Qualifying System*: [REDACTED]

City: [REDACTED] State: [REDACTED] Zip Code: [REDACTED]

Customer Type: ☐ Residential ☐ Commercial or Industrial

*Note that the Participant must be the account holder for the Billing Meter at the location specified above and the Street Address of Qualifying System must be the same address listed as the service address of the Billing Meter associated with the project.

Section 2 - Qualifying System Information

Total Nameplate Capacity of Qualifying System: [REDACTED] kW DC (AC for biomass or non inverter based systems)

Total Project Investment (Installed Cost): \$[REDACTED]

Section 3 - Contractor/Installer Information

Company Name: [REDACTED]

Company Address: [REDACTED]

City: [REDACTED] State: [REDACTED] Zip Code: [REDACTED]

North American Board of Certified Energy Practitioners (NABCEP) Certification Level (for solar PV and wind projects): [REDACTED]

NABCEP Certificate Number: [REDACTED]

Section 4 - Generation Meter Information (to be completed by Distributor)

Generation Meter Type: ☐ Interval (required for > 10 kW) ☐ Non-interval
Metering Connection: ☐ Option 1 (supply-side) ☐ Option 2 (load-side)

Complete below for all interval meters (does not apply to non-interval meters):

Interval Meter Option: ☐ TVA-Vendor Meter Option ☐ Distributor Meter Option

Complete for Non-Vendor Option Only - Remote Communications Type:

☐ Cellular ☐ Ethernet ☐ Land/Phone Line ☐ Other: Please specify [REDACTED]

Note that the Distributor Customer Meter Setup (DCMS) or other approved TVA metering form must be completed and submitted to TVA Customer Service prior to signing this form.

Section 5 - Distributor's Acceptance of Qualifying System

The Qualifying System has met the requirements for interconnection to the Distributor's system and is in compliance with the standards and terms of the Participation Agreement and the currently effective edition of TVA's Green Power Providers Program Participation Guidelines. As of the date outlined below, the Qualifying System has been commissioned at its total nameplate kW capacity outlined in Section 2 above and is fully operational and properly interconnected to the Distributor's electric distribution or transmission system.

Distributor Acceptance Date: [REDACTED]

Distributor Name: [REDACTED]

Name and Title of Distributor Representative: [REDACTED]

Signature of Distributor Representative: [REDACTED]

Distributor is required to send a copy of this document within ten business days of the acceptance date to the Green Power Switch inbox (preferred) at greenpowerswitch@tva.gov or to fax it to 615-232-6828

Section 6 - TVA's Approval/Denial of System Acceptance Form (to be completed by TVA)

APPROVED ☐

DENIED ☐

COMMENTS/REASONS FOR DENIAL:

Date Received by TVA: [REDACTED] Date Approved by TVA: [REDACTED]

Name and Title of TVA Representative: [REDACTED]

Signature of TVA Representative: [REDACTED]

GREEN POWER PROVIDERS PROGRAM PARTICIPATION GUIDELINES

(Effective October 1, 2012)

GUIDELINE 1 - PROGRAM PURPOSE AND DESCRIPTION

The purpose of the Green Power Providers program (Program) is to continue to increase the renewable energy supply in the Tennessee Valley region. In addition, the Program aims to align with the green power demand and participation levels in TVA's Green Power Switch program, while also stimulating economic growth and serving as a customer-focused solution to grid integration of small scale clean and renewable energy systems.

Distributors of TVA power (Distributors) that have entered into a Green Power Providers Agreement with TVA have the opportunity to offer the Program to their customers. These customers (Applicants) can apply for participation in the Program by completing the Green Power Providers Participation Agreement, and Distributors (in such circumstances also herein referred to as Applicants) can apply for participation as generators under the Green Power Providers Distributor Facility Participation Agreement (both agreements herein referred to as Participation Agreement), and submitting it to Distributor and TVA for review and potential approval and execution. All Applicants must be the same person(s) or entity designated on the customer's power billing account that is associated with the single associated Billing Meter at the Address of Site (defined below). Each Applicant will be given the status of "Participant" upon full execution of a Participation Agreement by all parties, provided such Applicant qualifies for and meets, at the time TVA executes the Participation Agreement, the then-current participation requirements. In order to retain its status as a Participant, each Applicant must install its generating system (Qualifying System) in accordance with the Participation Agreement and this Green Power Providers Program Participation Guidelines document (Guidelines) and, once TVA has executed the Participation Agreement, the Qualifying System must be fully interconnected, and operational within one hundred eighty (180) Calendar Days of TVA's execution of the Participation Agreement, as indicated on Distributor's Acceptance of Qualifying System form (System Acceptance Form), and Applicant shall comply with the terms of the Participation Agreement.

GUIDELINE 2 - DEFINITION OF TERMS

As used in these Guidelines:

2.1 "Applicant" shall mean any potentially eligible residential, commercial, or industrial end-use customer served by Distributor (or a Distributor itself on its own behalf) that elects to participate in the Program by (i) submitting an interconnection request to Distributor, and upon Distributor's approval, entering into an interconnection agreement with Distributor, and (ii) submitting a completed copy of the Participation Agreement for TVA's and Distributor's review and potential approval and execution.

2.2 "Billing Meter" shall mean a retail billing meter located at the Site where the Participant's facility or dwelling is located. The Billing Meter must be fully operational and measure the billing demand and/or the energy consumed at the Site.

- 2.3 "Business Days" shall mean all days except Saturdays and Sundays and the weekdays that are observed by TVA as Federal holiday (Federal holidays currently include New Year's Day, Martin Luther King's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day).
- 2.4 "Calendar Days" shall mean all days in a month, including weekends and holidays.
- 2.5 "Delivery Commencement Date" shall mean the date on which the Distributor has executed the System Acceptance Form.
- 2.6 "Generation Credit" shall mean the accrued generation credits due to Participant, which shall be calculated by applying the sum of the energy charge in the applicable retail rate schedule (residential (RS) or deemed to be GSA1 for all commercial and industrial customers) and the applicable Premium Rate to the kWh energy measured on the Generation Meter.
- 2.7 "Generation Meter" shall mean a meter additional to the Billing Meter at the Site that is installed by Distributor and designed to measure the alternating current (AC) energy output from the Qualifying System at the Site. Generation Meter shall mean either an Interval Generation Meter or a Non-Interval Generation Meter, or both.
- 2.8 "Interconnection Agreement" means the agreement executed by Applicant and Distributor to provide for the interconnection of the Qualifying System to Distributor's distribution system.
- 2.10 "Interval Generation Meter" shall be a solid-state type meter of high quality for billing purposes that records at least clock hour (hour interval) data and measures the energy output (kWh) from the Qualifying System at the Site; provided, however; it is recognized that fifteen (15) -minute interval data is preferred. It is further expressly recognized that the Participant's applicable retail rate schedule may require a shorter interval.
- 2.11 "Non-Interval Generation Meter" shall be a solid-state type meter of high quality for billing purposes that measures the energy output (kWh) from the Qualifying System at the Site but which does not meet the definition of Interval Generation Meter.
- 2.12 "Premium Rate" shall have the meaning set forth in Guideline 8.
- 2.13 "Site" shall mean Participant's residential, commercial, or industrial real estate and associated personal property to which the Qualifying System is connected, the address of which is identified under the Participant's power billing account. In addition, the Site must meet all of the following requirements:
- (a) The property must receive its retail electricity distribution services from Distributor at the location of the Qualifying System,
 - (b) The Qualifying System must be located on the same premises of Participant where the Participant's own electrical load is located,

- (c) Maximum of 50 kW per contiguous property per Participant, subject to Guideline 3 below, and
- (d) Maximum of 50 kW per associated Billing Meter account at the Site, subject to Guideline 3 below.

In addition, the Site shall meet the requirements set forth in the Participation Agreement and these Guidelines.

GUIDELINE 3 - CUSTOMER ELIGIBILITY AND LOAD REQUIREMENTS

3.1 Existing Distributor Customers

- (a) Existing Distributor customers must have at least twelve (12) months of historical annual energy usage (kWh) data from the Site.
- (b) The primary purpose of the Applicant's residential, commercial, or industrial facility cannot be energy generation.
- (c) Qualifying Systems with a generation nameplate capacity of up to 10 kW (DC for inverter-based systems, AC for non-inverter-based systems) are not subject to any load or energy usage requirements. However, if the nameplate capacity of the Qualifying Systems is greater than 10 kW (DC for inverter-based systems, AC for non-inverter-based systems), the system will be subject to Site energy usage requirements. In this case the Qualifying System's nameplate capacity is limited to the lesser of (i) 50 kW or (ii) the kW capacity that is designed to generate annually no more than 100% of the Site's historical annual usage in kWh, as recorded by the associated Billing Meter at the Site.

3.2 New Distributor Customers/New Construction

Provided Distributor agrees to offer the Program to its prospective eligible customers or "new construction" market and subject to the Program's terms and conditions, the following shall apply:

- (a) For prospective new and existing customers without twelve (12) full months of historical usage, either the builder (for new construction) or existing customer (for customers without twelve (12) full months of historical electrical usage at the Site) must submit acceptable and reasonable annual electrical usage projections for its residential or commercial/industrial facility.
- (b) For new construction projects, the builder(s) (Builder) must complete and submit the "Request for Program Participation Eligibility of New Construction" (New Construction Request Form or Attachment E) to its Distributor for acceptance of its potential Qualifying System(s) into the Program. It is expressly recognized and understood that it is at Distributor's and TVA's discretion to approve or reject any submitted Attachment E.

- (c) The Builder may receive a Program letter of intent (LOI) from Distributor, and TVA, which guarantees the Builder's Qualifying System acceptance into the Program against the annual capacity limit, provided that the Qualifying System is fully operational and interconnected (as identified on the System Acceptance Form) within 360 Calendar Days from the date of the LOI and provided that (i) Distributor approves and allows for acceptance of new construction projects in the Program, (ii) the Qualifying System meets the eligibility requirements for the Program, and (iii) there is available capacity (MW) for the Program in the given year.
- (d) The LOI is deemed valid as long as an official Participation Agreement is fully executed between the Participant, Owner of Qualifying System (if different than the Participant), Distributor, and TVA within one hundred eighty (180) Calendar Days from the date of the LOI. Upon completion of a fully executed Participation Agreement, the Participant/Applicant must satisfy all of the requirements of the Participation Agreement and the Guidelines, including having the Qualifying System interconnected and fully operational within the one hundred eighty (180) Calendar Days period after TVA's execution of the Participation Agreement. The total project completion period (LOI and Participation Agreement) is 360 Calendar Days. The Participant will receive the Premium Rate associated with the calendar year in which the Participation Agreement is executed by TVA.
- (e) For existing customers without twelve (12) full months of electrical usage history, Applicant must provide Distributor with its projected annual usage (kWh), in addition to the proposed nameplate capacity of the Qualifying System.
- (f) Proposed Qualifying Systems with a proposed nameplate capacity of up to 10 kW (DC for inverter based systems, AC for non inverter based systems) are not subject to any load or energy usage requirements. However, if the proposed nameplate capacity of the Qualifying System is greater than 10 kW (DC for inverter based systems, AC for non inverter based systems), the system will be subject to projected Site energy usage requirements. In this case the Qualifying System's proposed nameplate capacity is limited to the lesser of (i) 50 kW or (ii) the kW capacity that is designed to generate annually no more than 100% of the Applicant's/Participant's projected annual usage in kWh, as recorded by the associated Billing Meter at the Site.

As provided in this Guidelines 3.2, the annual generation (kWh) projections from the Qualifying System must be provided to Distributor by an Applicant, or by an existing Participant with a nameplate capacity of 10 kW or less and who wishes to increase its Qualifying System's nameplate capacity to be above 10 kW. This Applicant or Participant must submit a professional estimate for expected generation, if available, which shall be reviewed and approved by Distributor and TVA. The following default

annual capacity factors (%) shall be used to determine the maximum nameplate capacity (kW) of any new or expanding Qualifying System.

- Solar PV – 15%
- Wind – 15%
- Low-Impact Hydropower – 50%
- Biomass – 70%

Example: A small commercial business' projected annual usage is 30,000 kWh on a single billing meter and it wishes to install a solar PV project in the Program. The maximum nameplate capacity for this business would be 23 kW DC since it would likely generate no more than 100% of the customer's annual usage on the single billing meter.

Solar PV Generation Example Default Calculation:

23 kW X 8,760 hours X 15% Annual Capacity Factor = 30,222 kWh
(round maximum kW to the nearest whole number)

Additionally TVA will post a helpful calculator or links to websites that may assist customers in making this calculation.

GUIDELINE 4 - ELIGIBLE RENEWABLE TECHNOLOGIES

Participant must be able to demonstrate, on an ongoing basis, that the Qualifying System generates electricity from one of the resources (Qualifying Resources) included below:

- (a) Solar Photovoltaic (PV): poly-crystalline panels or thin film cells using fixed or single/dual axis tracking systems, which can be ground- or structure-mounted.
- (b) Wind: turbines in conventional sizes for commercial-scale generation.
- (c) Low-Impact Hydropower – from new generation capacity on a non-impoundment or new generation capacity on an existing impoundment. Such generation must be located in the Cumberland River watershed or in the Mississippi River. Hydro generation could be located in the Tennessee River watershed only if TVA were to issue a permit under section 26a of the TVA Act. Additionally, such generation must meet one or more of the following conditions: (1) the hydropower facility is certified by the Low Impact Hydropower Institute, or (2) the facility is a run-of-the river hydropower facility with a total rated nameplate capacity equal to 50 kW or less (multiple turbines will not be counted separately and shall not amount to more than the nameplate capacity); or (3) the hydropower facility consists of a turbine in a pipeline or a turbine in an irrigation canal. Furthermore, such generation must also meet any applicable FERC requirements.
- (d) Biomass: solid, liquid, or gaseous form of renewable biomass that is produced from the following fuels in a manner that complies with Applicable Law: 1) All wood waste including "black liquor" from pulp and paper processing, mill residues, industrial waste wood, and waste wood from woodworking or wood processing, so long as the wood is not chemically treated or coated; 2) All

agricultural crops or waste; 3) All animal and other organic waste; 4) All energy crops; and 5) Landfill gas and wastewater methane.

- Biomass resources excluded from eligibility include:
 - (1) wood that has been coated with paints, plastics, or Formica;
 - (2) wood that has been treated for preservation with materials containing halogens (such as chlorine or other halide compounds) or arsenic (such as CCA or chromated copper arsenate);
 - (3) municipal solid waste; and
 - (4) biodiesel.

GUIDELINE 5 - PROGRAM RESTRICTIONS

No Qualifying System may be installed on billboards, light poles, cable/communication/internet boxes, recreational vehicles, or mobile facilities.

GUIDELINE 6 - PROCESS AND PROCEDURES

- (a) Distributor customer consults with Distributor about participation in the Program.
- (b) Distributor customer applies for Program participation by submitting to Distributor (i) an interconnection request, including any interconnection request fees, (ii) a completed Participation Agreement, and (iii) a program application fee (not to exceed \$500), thereby becoming an Applicant.
- (c) Participant purchases the Qualifying System and installs it so that it is fully operational within one hundred eighty (180) Calendar Days of the date of TVA's execution of the Participation Agreement.
- (d) After the installation of the Qualifying System is completed and Distributor has submitted System Acceptance Form, Participant will receive a one-time \$1,000 rebate incentive from either TVA or Distributor, depending on what billing option the Distributor has selected for the Participant.
- (e) Participant's Qualifying System begins generation and Participant receives monthly credits for the renewable generation in accordance with the Participation Agreement.

GUIDELINE 7 - PROGRAM INCENTIVES

Eligible participants will receive the following:

- (a) One-time \$1,000 rebate incentive after the Qualifying System is installed, completed, interconnected, commissioned, and begins energy generation (the Delivery Commencement Date).
- (b) Monthly Generation Credits.

Note that the Premium Rate is dependent upon the date and calendar year that the Participation Agreement is executed by TVA for participation in the Program. Further, the Premium Rate shall apply only to the first ten (10) years from Delivery

Commencement Date and no Premium Rate shall be paid for the remaining term of the Participation Agreement.

GUIDELINE 8 - PREMIUM RATE

The Premium Rate to be applied in the calculation of a Participant's monthly Generation Credits will vary based on the renewable technology, and the date and calendar year on which TVA executes the Participation Agreement. For the 2012 calendar year, the following Premium Rate is applicable to Participation Agreements executed and dated by TVA on or prior to December 31, 2012. **[Note, however, that the Qualifying System(s) must be completed, installed, and generating at full capacity within 180 Calendar Days from the date TVA executes the Participation Agreement, in order to receive said Premium Rate].**

| <u>Renewable Resource</u> | <u>2012 Premium</u> |
|---------------------------------|---------------------|
| Solar | \$0.12 |
| Wind, Biomass, and Hydro | \$0.03 |

TVA will endeavor to approve and execute any completed and acceptable Participation Agreements that Distributor and Participant have already executed within twenty (20) Business Days from the date said Participation Agreements are received by TVA. TVA will endeavor also to return any incomplete or otherwise unacceptable Participation Agreements within the same timeframe.

In order to provide a sustainable, steady, and transparent path for small scale renewable generation as well as to align power purchases with Green Power Switch demand, the following projected Premium Rate schedule for the next year will be reviewed and published annually and will be provided as updates to these Guidelines.

| <u>Renewable Resource</u> | <u>2013 Projected Premium</u> |
|---------------------------------|-------------------------------|
| Solar | \$0.09 |
| Wind, Biomass, and Hydro | \$0.03 |

The 2013 Premium Rates stated above are not final but represent the current projected Premium Rates. TVA will review the Program and incentives annually and will endeavor to publish a revised Guidelines document online at Program's website (<http://www.tva.com/renewable/index.htm>) two (2) months prior to changing the Premium Rate and incentives. TVA reserves the right to change the current projected Premium Rates for Participation Agreements that are entered into in future years, and Applicants and Participants assume the risk of TVA establishing differing Premium Rates for future years when TVA revises these Guidelines. Such changes will not affect fully executed Participation Agreements.

Example: a solar project is installed and completed by an eligible Participant in accordance with the terms and conditions of the Participation Agreement and its attached Guidelines document. The Participation Agreement for such solar system was executed by all parties and the date TVA executed the Participation Agreement was January 25, 2013. According to the projected 2013 Premium Rates above, the Participant would receive a premium of \$0.09/kWh for the first ten years from the Delivery Commencement Date, and there would be no effective premium for

years 11 – 20. TVA will pay the applicable retail rates only (Residential (RS) or GSA1) for energy generated in the subsequent ten year term of the Participation Agreement. All environmental attributes (RECs) are purchased by TVA for the term of the Participation Agreement. Note that the Premium Rates as well as other Program attributes will be reviewed and evaluated on an annual basis, and future Program parameters, including Premium Rates may differ from the projections above.

GUIDELINE 9 - BILLING AND INCENTIVE DISTRIBUTION

Each Distributor is required to elect either the Distributor Billing Option or TVA-Vendor Billing Option, as defined in the Participation Agreement, and Generation Credits and incentives will be credited or paid to each Participant accordingly.

Under the Distributor Billing Option, the Distributor issues the total Generation Credit to the Participant's monthly electric power bill. In addition, the Distributor provides the one-time \$1,000 rebate incentive to the Participant after the Delivery Commencement Date.

Under the TVA-Vendor Direct Billing Option, Participants receive a portion (retail rate portion only) of their monthly Generation Credit from their Distributor via the monthly electric power bill. The Premium Rate portion of the Generation Credit will be issued, on a monthly basis, to the Participant through a TVA-designated third-party vendor. The TVA-designated third-party vendor will also issue the one-time \$1,000 rebate incentive to the Participant after system commissioning.

GUIDELINE 10 - INSTALLERS

Beginning January 1, 2013, solar photovoltaic and wind installations must be completed by installers who have completed and passed the North American Board of Certified Energy Practitioners (NABCEP) entry-level installer examination. For proof of eligibility and upon request by the Distributor, qualified installers must submit either a copy of their Achievement Award or NABCEP Certification. Installers must submit either a copy of their Achievement Award or NABCEP Certification Number to the Distributor as part of the initial application for Interconnection submittal. A list of NABCEP installers is posted at www.nabcep.org.

GUIDELINE 11 - QUALIFYING SYSTEM EXPANSION

Any capacity upgrades or additions to an existing Qualifying System's approved nameplate capacity are subject to TVA's and Distributor's approval. Participant must complete Attachment D (Request to Amend Participation Agreement to Modify Capacity of Qualifying System form) and submit it to the Distributor and TVA for review and obtain the approval of both Distributor and TVA prior to making any modifications to the system. Capacity expansions will be subject to available program capacity in the given year. Additionally, any requested increases or additions in nameplate capacity, if approved, must be completed and the entire modified Qualifying System must be fully operational and interconnected within one hundred eighty (180) Calendar Days of acceptance and approval of the modification by TVA, as indicated by the date of TVA's execution of Attachment D. Additionally, the Participant is responsible for any associated expenses incurred due to said capacity expansion(s), such as Site inspections, reviews, and processing.

GUIDELINE 12 - ANNUAL PROGRAM PARTICIPATION LIMITS

TVA will conduct an annual Program evaluation and will set annual MW limits that provide sustainable growth of renewable capacity in alignment with the Green Power Switch program participation and demand, as well as TVA's Integrated Resource Plan.

Participation Agreements will be reviewed and enter a queue for allocation of available Program capacity on a first-come, first-serve basis, as determined by the date Participation Agreements are received and deemed complete by TVA for potential approval and execution.

TVA will publish the progress towards the annual MW limit on the Program's website (<http://www.tva.com/renewable/index.htm>). If and when the MW limit for any given year is reached, TVA will publish on the Program's website such news as soon as it becomes available and stop accepting Participation Agreements in that given year. TVA will announce and notify the public via the Program's website when eligible capacity becomes available in that same year, and may start accepting new Participation Agreements.

The initial MW limit is set to be 10.0 MW of nameplate capacity for Participation Agreements approved, executed, and dated by TVA in calendar year 2013. To ensure diverse and equitable participation in the Program, Qualifying Systems up to 10 kW are deemed "Fast Track" projects, which will require a less stringent review, and will not require usage history and distribution system study of impacts. Additionally, for calendar year 2013, the "Fast Track" MW reservation for Qualifying Systems will comprise a total of no less than 20%, or 2.0 MW, of the total 10 MW limit in calendar year 2013. The "Fast Track" reservation amount will also be reviewed annually based on Program participation and market conditions. The program limits and reservations are outlined in the table below.

| Calendar Year | Fast Track MW Reservation | Total Program MW Limit |
|----------------------|----------------------------------|-------------------------------|
| 2013 | 2.0 | 10.0 |

Once a Distributor and a Participant have signed a Participation Agreement and presented it to TVA for review and possible execution, TVA shall be under no obligation to execute said Participation Agreement once the MW limit for that year has been reached, notwithstanding any actions taken and expenses incurred to date by the Applicant.

GUIDELINE 13 - TRUST/POWER OF ATTORNEY/ LEGAL DOCUMENT

In all instances when the Participant or Qualifying System Owner represents there is a legal document relevant to the terms of the Participation Agreement, the Participant or Qualifying System Owner shall provide the Distributor with the original legal document. Distributor shall then make a copy of said legal document and attach it to the

Participation Agreement. TVA's decision on the legal effect of said legal document shall be controlling.

GUIDELINE 14 - PARTICIPANT DEATH OR INCAPACITY

Upon Participant's death or incapacity, if Participant's estate executor, conservator, attorney in fact, or court ordered agent (herein collectively Agent) wishes to continue with the terms and conditions of the Participation Agreement and Guidelines, Agent shall complete the Request to Amend Participation Agreement by Changing Participant and/or Qualifying System Owner (Attachment C) and forward it to Distributor and TVA for review and potential approval and execution; otherwise, the Participation Agreement shall be terminated and any new owner of Site must reapply for Program participation in accordance with the then-current Participation Agreement and Guidelines.

GUIDELINE 15 - GUIDELINES CHANGES

These Guidelines continue in effect until modified or replaced by TVA at any time and from time to time upon thirty (30) Calendar Days notice to all Distributors participating in the Program. Said notice shall be deemed properly given if provided electronically either by electronic mail or by posting electronically on a computer-based information system designated by TVA for such purpose. In the event of a conflict between these Guidelines, the Green Power Providers Agreement, a Participation Agreement, or any other contract executed by TVA, the Green Power Providers Agreement shall govern. In the event of a conflict between these Guidelines and a former version of the Guidelines (including a version of the Guidelines that was in effect at the time any contract was signed), these Guidelines shall govern. TVA will publish any changes or modifications to the Guidelines online at Program's website (<http://www.tva.com/renewable/index.htm>).